Daily Report

East Europe

FBIS-EEU-92-086
Monday
4 May 1992

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FBIS-EEU-92-086 *4 May 1992*

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Bosnia-Hercegovina

Sarajevo radio reports that President Alija Izetbegovic, on his return from talks in Lisbon, landed instead in Rome "waiting for better circumstances to return to Bosnia-Hercegovina." Upon his arrival in Sarajevo, TANJUG reports that Izetbegovic was "not arrested but detained" in Lukavica barracks "for his own safety." Sarajevo radio reports that while detained, Izetbegovic requested "in a live broadcast" that Vice President Ejub Ganic order the "cessation of attacks on military compounds in Sarajevo" so that the Yugoslav People's Army (JNA) could "evacuate the center of the city and the local command headquarters." Ganic reportedly agreed and appealed to the EC's Colm Doyle, or any EC official, to contact Sarajevo radio for assistance in carrying this out. TANJUG reports that negotiations between Alija Izetbegovic and Lieutenant-General Milutin Kukanjac resulted in "the evacuation of the JNA headquarters in Sarajevo." According to JNA spokesman Colonel Komnen Zarkovic, "it was agreed that the column be headed by Izetbegovic and General Kukanjac. Vehicles of the United Nations peacekeeping forces" were also in the column. Sarajevo television confirmed that "the column was attacked after Alija Izetbegovic...was handed over."

International Affairs

Lisbon radio on 30 April reports a statement by EC Observers Unit spokesman Joao Caetano da Silva announcing that the EC Observers mission will be "temporarily" suspended. He said that Ambassador Joao Guerra Salgueiro, head of the mission in Yugoslavia, had made the decision "taking into consideration the death yesterday of the Belgian monitor near Mostar." The spokesman explained that the suspension would represent a "period of mourning" as well as a "period of reflection for the future operations" of the mission.

Zagreb radio on 1 May reports a declaration released in Helsinki by the CSCE condemning the Yugoslav People's Army (JNA) for "considerable violations of CSCE agreements" and "continued agression" amounting to "disrespect for the authority of the legitimate government of Bosnia-Hercegovina." According to the radio, the declaration states "the agression must end immediately and totally." The "main precondition" for an end to agression, the declaration continues, "is to place all paramilitary and regular military formations, and especially the JNA, under the control of the Bosnia-Hercegovina Government." Reacting to the declaration, TANJUG on 1 May states that "some of the formulations" of the declaration are "evidently one-sided and unjust," particularly sections "referring to the use of force and violence," the "violation of CSCE commitments," and those "referring to aggression." According to TANJUG, "The Yugoslav delegation does not accept" these sections, because they are "one-sided, biased" and do not reflect "the actual situation...at all" in Bosnia-Hercegovina.

Poland

The Sejm committee "set up on April 25" to investigate the controversial remarks made by Defense Minister Jan Parys is still examining the case, PAP reports. President Walesa has requested that Deputy Defense Minister Szeremietiew "withhold all changes" in the ministry until the Parys case is "clarified." Prime Minister Olszewski has approved the Sejm's request to extend Parys's leave so that the committee can review the case without the pressure resulting from a situation where one "has already been cleared by the previous government commission and is now back in his office." Parys, in a television program on Defense Ministry reorganization, says that he "sees no reason to resign." He has decided to return to politics.

Observers Mission in Yugoslavia Suspended

LD0305124392 Lisbon RDP Internacional in Portuguese 1200 GMT 3 May 92

[Excerpt] [Passage omitted] Yesterday, one of the EC observers, a Belgian national, was killed near Mostar when accompanying a technical team on its way to repair a power station.

Joao Caetano da Silva is the EC observers' spoksman. Portuguese Ambassador Joao Guerra Salgueiro has decided to temporarily suspend the EC observers mission. Caetano da Silva explains:

[Begin Caetano da Silva recording] Today, Ambassador Joao Guerra Salgueiro, head of the EC observers mission in former Yugoslavia, decided to temporarily suspend monitoring activies, taking into consideration the death yesterday of the Belgian monitor near Mostar. This suspension represents a period of mourning for our colleague and friend who lost his life in yesterday's incident, as well as a demonstration of respect for the victim's family. This is also a period of reflection for the future operations of the monitors' mission, taking into consideration the responsibilities heads of mission have for lives and the presence of the members of the mission. [end recording]

That was Joao Caetano da Silva, spokesman of the EC mission in Yugoslavia, explaining the temporary suspension of the mission of the EC observers, as announced by Portuguese Ambassador Joao Guerra Salgueiro.

CSCE To Admit Bosnia-Hercegovina as Full Member

LD3004153292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1344 GMT 30 Apr 92

[Text] Helsinki, 30 Apr (TANJUG)—As of today, Bosnia-Hercegovina is the 52d member of the CSCE. The decision to admit Bosnia-Hercegovina as a full-fledged member was passed today at the beginning of the meeting of CSCE senior officials in Helsinki and after a roadblock created by the demand to expel Yugoslavia from the Helsinki forum was removed. The Bosnia-Hercegovina membership will have to be verified by the CSCE Council of Ministers at its next meeting.

Serbian 'Aggression' Blamed for Violence in Bosnia

LD0105142392 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 1 May 92

[Excerpt] We have just received a report from Helsinki that the committee of CSCE senior officials has endorsed a new declaration on the aggression against Bosnia-Hercegovina by the so-called Yugo army and Serbian paramilitary formations.

The declaration stresses that since 15 April when the CSCE asked the Serbian leadership and the so-called Yugoslav People's Army [JNA] to end the violence and to respect the territorial integrity of Bosnia-Hercegovina, the situation in Bosnia-Hercegovina has deteriorated further. There is clear evidence of considerable violations of CSCE agreements, and the continued aggression by the JNA and paramilitary formations backed by the JNA amounts to disrespect for the authority of the legitimate government of Bosnia-Hercegovina. The aggression must end immediately and totally, the declaration states.

The declaration then stresses that the main precondition for an end to the aggression is to place all paramilitary and regular military formations, and especially the JNA, under the control of the Bosnia-Hercegovina Government.

The committee of senior officials expressed deep concern over the increasing number of refugees from Bosnia-Hercegovina and pointed to the need to send more humanitarian aid to states that have accepted refugees. The declaration also says that the repatriation of refugees is the main element for resolving this problem permanently. For this reason, the declaration demands the unblocking of air, road, and sea routes.

Negotiations about the declaration lasted over 24 hours. The group—in which the Croatian delegation, comprising Dr. Darko Bekic and Ante Babic, sat together with the European Community, the United States, Russia, Austria, Hungary, and Turkey—rejected a draft declaration put forward by the European Community and adopted a draft put forward by the United States. The Croatian delegation played a particularly important role in the discussion, and several important proposals made on behalf of the delegation by Darko Bekic were included in the declaration. The Croatian delegation proposed unblocking air, land, and sea routes and raised the need to increase financial and humanitarian aid to countries looking after refugees. The Croatian delegation succeeded in blocking a move to include a demand for all foreign interference in Bosnia-Hercegovina to end. Dr. Bekic explained to the delegations that the Republic of Croatia is not involved in the war in Bosnia-Hercegovina and that repatriation of Croats and Muslims currently living and working in Croatia is a basic and—in line with all international laws—guaranteed and accepted right to self-defense from aggression. [sentence as received]

A Croatian representative also stressed that one of the differences between Croats and Muslims fighting in Bosnia-Hercegovina, on the one hand, and the Serbs fighting there, on the other, is that Croats and Muslims are fighting for the integrity and state sovereignty of Bosnia-Hercegovina and in respecting the democratically elected government in Bosnia-Hercegovina, and Serbs want to annex a large part of Bosnia-Hercegovina to Serbia. [passage omitted]

Declaration Termed 'One-Sided'

LD0105220192 Belgrade TANJUG in English 1855 GMT 1 May 92

[Text] Helsinki, May 1 (TANJUG)—Before the declaration on the former Yugoslav Republic of Bosnia-Hercegovina was adopted, the Yugoslav delegation, which is taking part in the session of the CSCE senior officials, expressed its disagreement with some of its formulations.

Following is the integral text of the interpretative statement made by the Yugoslav delegation:

The responsible authorities of the Federal Republic of Yugoslavia and the Republics of Serbia and Montenegro are clearly and firmly determined to support all efforts to end the conflicts and hostilities and help in every possible way the peaceful settlement based on the agreement of the three constituent nations of BiH [Bosnia and Hercegovina].

In this respect, they are continuously undertaking concrete actions.

Some of the formulations of the declaration on BiH are evidently one-sided and unjust, particularly those referring to the use of force and violence in BiH, to the violation of the CSCE commitments and also those referring to aggression.

That approach is not acceptable. It is not going to exert an equal impression upon all sides presently engaged in the conflict.

The Yugoslav delegation does not accept Para 7a of the declaration on BiH, because it is one-sided, biased and does not reflect the actual situation in BiH at all.

In the territory of the BiH are present and militarily active large regular units of armed forces of Croatia, para-military Croatian units from Croatia, including even Ustasha formations.

Para-military forces of Moslem and Croatian communities of BiH are also involved in the present conflict.

Engagement of foreign mercenaries is evident and proved.

Having in mind that these facts are neglected in the declaration and that this text is not in conformity with the findings and remarks of the report of the United Nations secretary-general contained in the document No. S-23844 of April 24, 1992, and that, thus, it is not contributing to a peaceful settlement based on an equal and just solution which will be agreed among all three constituent nations during the ongoing conference in Brussels, the Yugoslav delegation expresses its full reservation.

The delegation of Yugoslavia asks that, before the text of the declaration on BiH is adopted, this interpretative statement under Para 79 (Chapter 6) of the final recommendations of the Helsinki consultations be registered in the journal of the day and circulated to the participating states.

Izetbegovic Detention Termed 'Act of Terrorism'

LD0305024292 Belgrade TANJUG in English 0040 GMT 3 May 92

[Text] Helsinki, May 3 (TANJUG)—The report that Bosnia-Hercegovina Presidency President Alija Izetbegovic was held at a barracks in Sarajevo on return from Lisbon invited condemnation in the CSCE circles in Helsinki.

As learned in the CSCE delegations' circles, this report was described as an "incomprehensible act of terrorism."

Head of the Austrian delegation called on all participants to urgent reaction. The representatives of Germany, Turkey, the U.S. and Russia, as learned, assessed that this was an act which called for urgent counter-measures—from sanctions to "military action against Belgrade."

As indiated in the CSCE circles on Saturday night, a special meeting of the CSCE member-countries may be expected on Sunday due to the latest developments in Bosnia-Hercegovina.

The prepresentatives of the Serbian people in this republic no longer take part in the work of the republic's presidency.

Greece Proposes Renaming Macedonia Skopje

LD0205204792 Lisbon Radio Renascenca in Portuguese to Europe 1800 GMT 2 May 92

[Text] The situation in Yugoslavia was the main theme at the EC Foreign Ministers' meeting that ended in Guimaraes today. There were few decisions. The recognition of Macedonia and the new Yugoslav Federation was postponed. More details from our correspondent:

[Correspondent] Common External Policy is a future dream. The EC Foreign Ministers were not able to recognize Macedonia. They simply issued a communique about that former Yugoslav republic in which they manisfest their willingness to recognize its indepent status, but they say they are not in a position to take a decision while the name of that republic is not changed:

[Begin recording] [Deus Pinheiro, EC Presidency president] The former Yugoslav republic fulfills all the conditions for recognition as an independent and sovereign state. However, we do not want recognition to lead to a situation of instability, be it between the EC and Greece or the autonomous region itself. Therefore, we have decided at the meeting that the name of the state should be agreed upon by all sides concerned. [end recording]

[Correspondent] That was Joao de Deus Pinheiro at the end of EC Foreign Ministers meeting here in Guimaraes. Let us remind you that the change of name was proposed by the Greeks in exchange for their acceptance of the recognition of Macedonia. Greece was so smart at negotiating with its EC partners that it even has managed for the name Skopje, referring to Macedonia, to appear on the communique issued by the 12. [passage indistinct]

The discussion on the Delors II package, expected for today, was postponed. Deus Pinheiro has already stated clearly that there will be no approval of the document at the Lisbon summit. He simply talked about political principles allowing the next presidencies to approve the financial reform proposed by Jacques Delors.

Greek Prime Minister Mitsotakis Arrives 3 May

AU0305133292 Tirana ATA in English 0801 GMT 3 May 92

[Text] Tirana, 3 May (ATA)—The premier and minister of foreign affairs of the Hellenic Republic, Konstandinos Mitsotakis, arrived on an official and working visit to our country today. In this visit to Albania he is accompanied by the minister of merchant marine, A. Pavlidhis; the secretary of state, B. Polidhoras; the vice-minister of foreign affairs, Mrs. Cuderu [name as received], as well as other Greek personalities.

The Greek premier was welcomed at the airport by the chairman of the Council of Ministers, Mr. Aleksander Meksi, the minister of foreign affairs, Mr. Alfred Serreqi, and other government members.

Present were also the ambassador of Greece in Tirana, Mr. Khristodhoulos Tzalikis, and the ambassador of Albania in Athens, Qazim Tepshi.

Promotes Relations With Meksi

AU0305133592 Tirana ATA in English 1208 GMT 3 May 92

[Text] Tirana, 3 May (ATA)—Today, before noon, Prime Minister Aleksander Meksi received the prime minister of Greece, Konstandinos Mitsotakis. After expressing the pleasure for this meeting, Mr. Meksi underscored that at present when Albania has embarked on the full road of democracy, we should further promote the relations of good friendship and solve the problems between us through dialogue. He pointed out that the Albanian people and government wish to have good relations with Greece, to consolidate political, economic and human contacts. Likewise, he added, we shall strive to solve even the existing problems or the ones to arise in the future.

On his part, Prime Minister Mitsotakis voiced the satisfaction over the changes he witnessed in Albania since his first visit last year. You have made major progress, he said, in the democratization of life, the march towards the market economy, the integration in Europe. He appreciated the statements of President Berisha regarding Albania's new orientations towards democracy, human rights, the observation of the Greek minority included, and market economy and voiced his support. Speaking of our two peoples he said that "they have many a time been side by side each other in course of history. It was the communist regime that divided us for whole decades and now we should approach each other again." Likewise, he underscored Greece's support for Albania in these moments and the willingness of his country to serve as a bridge for Albania's march toward Europe.

We stand for that that the Greek minority in Albania enjoy all the rights as the Albanian people, all the rights defined in the known international documents, Prime Minister Meksi underscored. On the other side, he laid the stress on the indispensability of the observation of the rights of the Cam population, to return to their hearths and enjoy their property, always on the basis of the international norms, for which the Albanian Government voices its desire and goodwill.

During the meeting they treated of problems of the consolidation of political and economic cooperation between the two countries. [sentence as received] Prime Minister Mitsotakis invited his counterpart to visit Greece. The invitation was accepted with pleasure by Mr. Meksi.

Special place was devoted also to bilateral cooperation in the field of the food aid Greece might provide for Albania, the investments of the Greek businessmen in tourism, agriculture, merchant navy, banks, the construction of joint industrial projects, fishing, customs' cooperation, the granting of scholarships for Albanian students and specialists, etc. The Greek party voiced the readiness to coordinate with the Albanian Government the realization into practice of an organised emigration, the creation of ever better conditions for the Albanians who are currently in Greece, the facilitation of procedures for the free circulation of people, etc.

They spoke also of the current international situation, the crisis in Yugoslavia, the situation in the Balkans and Europe, where the stress was laid on the indispensability of guaranteeing the rights of the Albanians living in ex-Yugoslavia. Both parties expressed the readiness to observe the CSCE principles to solve the problems through dialogue, and the peaceful alternative, in service of the consolidation of peace in our region and integration in Europe.

The talks passed in a friendly atmosphere of understanding.

Issues Statement With Berisha

AU0305205892 Tirana ATA in English 1757 GMT 3 May 92

[Text] Tirana, 3 May (ATA)—On May 3 at noon, the president of the Republic of Albania, Prof. Dr. Sali Berisha, received the prime minister of the Hellenic Republic, Konstandinos Mitsotakis.

After the meeting they made statements for the press:

"The talks," Mr. Berisha said, "were open, sincere, friendly ones. In these talks we agreed with Mr. Mitsotakis to promote and consolidate relations and cooperation between Albania and Greece in the economic, political, mutually beneficial fields. Most probable are the immediate signing of an agreement on emigration, consulates and a financial agreement.

"We find in Mr. Mitsotakis and the Greek Government a goodwill to help Albania and thank them very much for their readiness for help Albania in this period of economic reconstruction, recovery and its integration with the other advanced countries. Among us there do not

exist problems that cannot be solved. We discussed with Mr. Mitsotakis on all issues that are related with the relations between the two countries, just like with the political situation in the Balkans and Europe. On the whole the viewpoints are similar, but the existing differences are such that do not hinder the promotion of the very good relations between Albania and Greece.

"I am pleased to say that this is a very successful visit. I shall thank once more Mr. Mitsotakis for the visit to Albania. It is an aid and encouragement for us."

The Greek prime minister said: "I want to confirm what Mr. President said that my visit here marks a full success, that there exists the goodwill of both parties to enhance, improve our relations, at a time when our region is undergoing a difficult period. The desire of Greece is to consolidate its relations with the neighbouring Albania. I congratulated Mr. President for the victory of democracy in his country. This constitutes the ground for Albania's further development.

Undoubtedly, there are problems in these moments and Albania needs the help of all. Greece is determined to help as much as possible, but it wants to help also in the framework of Europe so that to grant Albania the necessary aid. We agreed to promote our economic relations. Albania is currently heading towards the market economy and this helps a great deal in this respect. The businessmen that are accompanying us, will have separate talks on special sectors of the economy, and there are many such sectors.

We touched also the emigration topic. We agreed to control emigration and Greece should give the possibility to more Albanians to work in Greece, but this will be conducted in a legal way. The coming of the Albanians to Greece is directly linked with the opening of the consulates that might freely grant visas. This is a topic we touched upon and I hope will be treated positively.

Finally I want to voice my joy. We agreed that we should intensify our contacts. I have the pleasure to visit Albania as the first prime minister after the establishment of full democracy. I consider it quite natural to be the closest neighbour. I want to wish the president, Mr. Berisha, and the Albanian people for solution they undertook, their government. I am sure that Albania will be successful."

Berisha Receives Greek Ambassador Tsalikis

AU0205181992 Tirana ATA in English 1759 GMT 2 May 92

[Text] Tirana, May 2 (ATA)—On May 2, the president of the Republic of Albania, Prof. Dr. Sali Berisha, received the ambassador extraordinary and plenipotentiary of the Hellenic Republic to the Republic of Albania, Christodoulos Tsalikis, who presented the credentials.

Attending the ceremony of the presentation of the credentials were also the minister of foreign affairs, Alfred Serreqi, and others.

The ambassador was accompanied by diplomats of the Greek Embassy in Tirana.

Meksi Talks With Czechoslovak Ambassador Mandak

AU0105172192 Tirana ATA in English 0819 GMT 1 May 92

[Text] Tirana, May 1 (ATA)—On April 30, Dr. Aleksander Meksi, chairman of the Council of Ministers, received the ambassador extraordinary and plenipotentiary of the Federal Czech and Slovak Republic, Jindrich Mandak.

They exchanged views on the bilateral relations between our two countries. They also spoke on the opportunities of increasing trade exchanges in other fields of mutual interest. A special place was devoted to the exchange of bilateral delegations of various levels, particularly after elections to be held in the Federal Czech and Slovak Republic on June 5-6.

The reception passed in a warm and fraternal atmosphere.

Macedonian Border Opened for 1 May Holiday

AU0305133392 Tirana ATA in English 1002 GMT 3 May 92

[Text] Tirana, 3 May (ATA)—Based on the agreement reached between the Executive Committee of Diber District and the commune of Dibra e Madhe [Debar] of Macedonia and on the approval of the governments of both countries on May 1st the Albanian-Macedonian border opened again, this time for a free entry of the Albanian citizens of Macedonia to Albania.

Thousands of people from Dibra a Madhe, Skopje, Gostivar, Tetovo, and other cities of Macedonia and Kosovo crossed the Bllate border point to meet with their relatives. A warm reception was extended to them. On this occasion a joint concert was given in the square of Peshkopi town.

The opening of the Albanian-Macedonian border has been well received by the all-Albanian public opinion, hoping that there will not exist a "Berlin Wall" for the Albanians on both sides of the border.

Diplomatic Relations Established With Lithuania

AU0105172992 Tirana ATA in English 0900 GMT 1 May 92

[Text] Tirana, May 1 (ATA)—The Government of the Republic of Albania and the Government of the Republic of Lithuania agreed to establish diplomatic relations between the two countries at ambassadorial level.

Assembly Approves Bill on Amendments to Labor Law

AU0105172092 Tirana ATA in English 0845 GMT 1 May 92

[Text] Tirana, May 1 (ATA)—The People's Assembly examined on April 30 before noon the second point of the agenda: draft law on a supplement in the Law on the Labour Relations.

Since the beginning, there were reactions on the part of the deputies of the Socialist Party [PSSh] with regard to the procedure of examining the points on the agenda. They demanded among others that representatives of the government come in the parliament.

The sitting was interrupted and after a long consultation among the chairmen of the parliamentary groups and the Commission of Laws with the Presidency of the People's Assembly, it resumed with the participation of representatives of the government.

The draft presented to the deputies was formulated as follows: "For special needs having to do with the improvement of the functions and structures of the state apparatus to put into life the economic and political reform, the transition into the free market economy, and the establishment of the judicial state, the competent organ has the right to transfer the employ to another work place within his profession, or to social assistance."

Then discussions started at the insistence of the parliamentary group of the PSSh. The deputies of this group in general stressed the danger of political criterion and of violation of the human rights and purgings that might take place according to party convictions, etc.

The deputies of the Democratic Party [PD], the Social Democratic Party, and the Republican Party substantiated the need of fighting against state red-tape as an indispensability for the realisation of the democratic program.

In the name of the parliamentary group of the PD, the deputy Petrika Minga presented the draft law on some changes and supplements. In the name of the parliamentary group of the PSSh, the deputy Servet Pellumbi made a statement presenting the reasons why this parliamentary group does not agree to vote for the draft law. It does not envisage judicial protection of the person towards arbitrary decisions and establishes antidemocratic relations between the state and the individual.

After this statement, the deputies of the PSSh left the hall. The chairman of the Presidency of the People's Assembly Pjeter Arbnori demanded that the variant presented by the parliamentary group of the PD be voted and the deputies adopted with the majority of votes the Law on a Supplement in the Law on the Labour Relations.

PSSh States Objections to Government Program

AU0305173492 Tirana ZERI I POPULLIT in Albanian 21 Apr 92 p 1

["Statement by the Socialist Party, PSSh, Parliamentary Group on the Government Program," issued in Tirana; date not given]

[Text] 1. We oppose the immediate liberalization of the prices of goods in the basket [of staple consumer goods whose prices are frozen], because they are beyond the means of thousands of poor families of workers, peasants, and intellectuals. Prices must be liberalized as supplies from domestic production increase.

2. We oppose changes to the Land Law that envisage the sale and purchase of land and compensation for former proprietors, all the more so because the program itself is self-contradictory and does not resolve the conflicts over property that have arisen.

3. We do not support the mass growth of unemployment at a time when financial resources restrict welfare and the prospects for job creation are unclear.

4. We are against the assessment of present cadres on the basis of party allegiance, when tests of professional competence should be used.

5. We are not convinced by the vague spirit of the program, which gives no deadlines for meeting the Democratic Party's electoral promises. We do not find in the program all the guarantees to bring the country out of its crisis and successfully carry out the economic reform.

6. We agree with other parts of the program. We will support every positive and concrete step on the part of the government in solving the great problems that confront it and will judge its work on this basis.

We wish the government success in its work.

President Zhelev Speaks at April Uprising Ceremony

AU0105202092 Sofia BTA in English 1948 GMT 1 May 92

[Text] Sofia, May 1 (BTA)—The 116th anniversary of the April Uprising, a landmark in the struggle of the Bulgarian nation against the Turkish rule, was celebrated in Panagyurishte, southern Bulgaria, this evening.

President Zhelyu Zhelev delivered a speech. He emphasized that Bulgarians should remember the historical circumstances leading up to the uprising for they convey a historical and political message which is especially relevant today.

President Zhelev expressed his hope that the restoration of property to its owners will form the economic and social basis for a material and spiritual revival of the nation, restore its self-confidence and change its view of the future.

Mr. Zhelev emphasized that the necessary reform—the transition from a centrally planned to a market economy—cannot succeed without the entire nation's support. According to president, this is what the process of democratization and democracy in general mean. In his view no political party or coalition has or can have a monopoly over democracy because "monopoly" and "democracy" are incompatible notions.

As the reforms have no alternative the only sensible thing is to join our efforts to implement them as fast as possible, President Zhelev said.

The celebrations were attended by Prime Minister Filip Dimitrov, cabinet ministers, and members of parliament.

Zhelev Greets Trade Unions on May Day

AU0105155192 Sofia Khristo Botev Radio Network in Bulgarian 0930 GMT 1 May 92

[Text] Today we celebrate International Labor Day. The president's spokesman reported that President Zhelyu Zhelev conveyed his May Day greetings to the working people of our country through all the trade unions in Bulgaria.

Despite the fact that it was politicized to an extreme degree in past decades, Labor Day has remained dear to a large section of the Bulgarian public because it has its own special significance that remains valid for the new conditions of changes in Bulgaria. Precisely for this reason, Labor Day should provide one of the possibilities for national unification—an important condition for a more painless transition through the difficulties and for emerging more speedily from the serious crisis facing our country.

This is why the attempts to repoliticize May Day are inappropriate. Labor Day is for all working people, both in Bulgaria and in other countries throughout the world. Happy May Day, and happy holidays!

Zhelev Interviewed on Progress of Democracy

LD0305201792 Moscow Russian Television Network in Russian 1120 GMT 3 May 92

[Interview with Bulgarian President Zhelyu Zhelev by Yegor Yakovlev on "Man in Power" program—recorded]

[Excerpts] [Yakovlev] We have not met since late last fall, when you were the first world statesman to pay an official visit to independent Russia. [passage omitted]

You have written in the past that Bulgaria should stand aloof from the very diluted Soviet model of perestroyka and from the model of the totalitarian empire that the Soviet Union remained. Since that time the Soviet Union has ceased to exist. The pace of reform in Russia and in the other Commonwealth of Independent States [CIS] countries has changed. I am interested to know today what your attitude is to the processes taking place in Russia, and what the prospects are for relations between Bulgaria and the independent states of the CIS.

[Zhelev] It is very difficult and risky to give any assessments of processes taking place in other countries, even if we are talking about Russia. But I think that these processes of real democratization have already gotten under way in your country. I think that what is being done now in the economic sphere is very important. It will be a genuine basis for democracy because without private property it is almost impossible to build democracy, let alone to strengthen it. [passage omitted]

I think that what is now happening in our country is a genuine reform. Reform has already started to accelerate. The thing is that we fell a little behind with the economic aspect of reform, or rather the structural aspect of economic reform. A beginning was made on the monetary side of our reform a year ago. This was very successful because the trade unions, the government, the employers, and all the political parties signed various documents saying that they would support this radical reform and that none of them would try to take advantage of the difficulties for their own egoistic ends. This insured success, but in order to hold the recent elections we let the reform schedule slip a bit. The structural side has fallen behind by six months or more, and as a result certain political and social strains have occurred.

[Yakovlev] Has the accord been destroyed?

[Zhelev] No, not entirely. The situation has gotten more dangerous, but I think that we are now making up for all the time we have lost and catching up on everything that should have been done from the outset of reform. The constitution is already nearing completion. I think that the reinstatement of land to the peasants will be definitive by the end of the year, as there is a special mechanism of economic and proprietary interest. Privatization will get off to a successful start now that we have adopted

the law on privatization—large-scale privatization affecting large state enterprises. It will be a lengthy process, but it is not absolutely essential for all these enterprises to go private—some of them could remain in state hands. And there is no need to fear this because the existence of private property, the existence of other private enterprises which will compete with them is going to force the state enterprises to work on the basis of the principles of a market economy.

[Yakovlev] Nonmonopoly?

[Zhulev] Yes, nonmonopoly. Monopolies will not be able to exist any more. So I am generally optimistic about our reform.

[Yakovlev] What sort of society are you building, Mr. President?

[Zhulev] Let us not define the nature of society. That implies some kind of blueprint and a desire to allocate our society a particular place in that blueprint. But if you insist on going into this blueprint, I think we are building normal capitalism. Previously we also had capitalism, but it was totalitarian, state capitalism, with an absolute monopoly on ownership [words indistinct]. We are now simply returning to a normal capitalist society, a democratic society based on private property and mutual competition among various types of ownership: private, cooperative, and state. [passage omitted]

Dimitrov Comments on Economic, Political Situation

AU0405085592 Vienna SALTO in German
1 May 92 p 18

[Interview with Bulgarian Prime Minister Filip Dimitrov by Werner Pirker; place and date not given: "There Is a Nervous Atmosphere in the Country"]

[Text] [Pirker] Your government, which describes itself as bourgeois, has been in office for approximately half a year. Can you draw up an interim balance sheet?

[Dimitrov] The situation is extremely complicated. As everywhere in Eastern Europe, we are facing an economic crisis that we inherited from communism. The people have become impatient; they want lightning changes. There is a nervous, tense atmosphere. In addition, our opponents are pursuing a policy of utmost destruction; they are blocking the natural course of the economic process. In many respects, our national economy is still based on the old foundations—this means, on uneconomical ones. Of course, every government tries to effect a balance of interests, but in our situation, in view of the harshness of opposition, this is an extremely difficult undertaking.

A great change has taken place in our country within the framework of an extremely peaceful scenario, and this I would like to stress. Many accusations are leveled against us, but I think that we should work, first and foremost, that is, to implement our project for changes carefully. Of course, I would also prefer the changes to take place more quickly.

[Pirker] Your country is undergoing a very painful process of transformation. Which procedures do you prefer?

[Dimitrov] All those countries that have left the path of dictatorship are tending toward a certain extremism. Minus is turned into plus and the other way around. This is not surprising. The main task is to overcome the communist way of thinking, because it still characterizes the methods of approach. This is why the establishment of democratic institutions is of such great importance. Of course, nervousness and friction develop in the course of determining the various powers.

Another problem is a certain nihilism within the population regarding the Constitution, since the institutions were deprived of their content during the communist phase and there is great distrust toward them. In the field of economy we must pass laws that are able to break up the old structures in order to establish real preconditions for the creation of market economy conditions based on private property. The structural changes should be effective above all in those areas where the state still guides the economy. We must acquaint ourselves with the idea of closing unprofitable companies and even entire industrial branches.

[Pirker] What is your relationship with the president like? One hears rumors that there are tensions between the head of state and the government.

[Dimitrov] My personal relationship with him is very good; only yesterday we had dinner together. This is rather a constitutional problem. I am not an advocate of this Constitution, which gives the president a great mandate but little real power. There are frictions above all between the presidential power and parliament. Therefore, I am calling for a clear delineation of authority, because the current state of affairs necessarily leads to political instability. Of course, a presidential regime would be the easiest way out.

[Pirker] Recently there have been increasingly frequent calls for a tsar. What is your opinion on this issue?

[Dimitrov] This is above all a topic that concerns the mass media. In my view, this issue is being played up in order to veil the main contradictions and to provide false alternatives: Communism or monarchy, crisis or monarchy. I think this is absurd.

[Pirker] What is your philosophy on privatization?

[Dimitrov] My philosophy is based on variety of approach. One should try out the various models, depending on the size of the enterprises. There should also be limited preferences for staff members regarding the purchase of shares. I stress, limited ones....

Luzhev: Dimitrov's Advisers Plotting Dismissal

AU0105115092 Sofia 24 CHASA in Bulgarian 22 Apr 92 pp 1, 3

[Mariya Stoykova and Petur Boychev report]

[Text] Sources that wish to remain anonymous claim that the rumor that Mr. Dimitur Ludzhev would leave the cabinet in connection with the changes was a dirty trick. "The prime minister's advisers, Konstantin Mishev and Yasen Bozduganov, are responsible for the insinuations that I was involved in the Jes Air Company affair, which would have robbed me of my bread and butter," Mr. Ludzhev told 24 CHASA on 21 April.

"This is a dirty trick, they are trying to discredit me, and I am amazed that the prime minister's advisers are responsible for the affair," the defense minister said. He assumes that the attack against him started because the cabinet fears that he wants to take the prime minister's place. "I have no intention of bringing the government down, and I am not interested in intrigues," Mr. Ludzhev said.

An audit has started at the air company. "I prevented figureheads representing others from purchasing it," Mr. Ludzhev claimed.

"It is a plot to discredit D. Ludzhev," suggested M. Nedelchev, spokesman of the National Coordinating Council of the Union of Democratic Forces [SDS], in a comment to 24 CHASA on the rumors circulating. However, Nedelchev rejected the theory that the defense minister may be an alternative candidate to succeed Filip Dimitrov. "This can only happen if Konstantin Trenchev becomes president," Mr. Nedelchev declared. Then D. Ludzhev might become prime minister, the Council of Ministers offices would be transferred to Bistritsa [residence in Sofia illegally occupied by Podkrepa Labor Confederation], and Trayko Etov would assume the functions of chief secretary to the government.

K. Trenchev's office described M. Nedelchev's statement as crazy.

"The person who is starting the plots against D. Ludzhev should have his head examined," claimed a top trade union leader who wishes to remain anonymous. "I do not know that they have in store for him, but if the defense minister and former deputy prime minister lets the cat out of the bag, many mothers will have cause to weep," the leader added.

BSP Leader Issues Statement on DPS Legitimacy

AU0105115492 Sofia DUMA in Bulgarian 23 Apr 92 p 2

[Text] In connection with the Constitutional Court's verdict on the Rights and Freedoms Movement [DPS], Zhan Videnov, chairman of the Supreme Council of the Bulgarian Socialist Party [BSP], on 22 April issued the following statement:

It has become clear from the mass media that the Constitutional Court has reached a verdict on the case brought by a group of National Assembly deputies concerning the legitimacy of the DPS. As we understand it, the Constitutional Court will be one of the pillars of the future state based on the rule of law, an important guarantee for constitutionalism in Bulgaria, and, as such, its authority should be enhanced. As we have already stated, we respect the court's juridical acts. By one means or another, the Constitutional Court has reached a verdict on the legitimacy of the DPS, so that at the present stage the problem is juridically settled.

However, the issue of the DPS's legitimacy does not exhaust the ethnic problems that have not been resolved by society, and precisely for this reason they are being solved in an inconclusive way at the political level. As a whole, these problems can only be solved on the basis of broad public consensus. For this reason, no political commitments, actions, or changes in our political stances arise for us as a party from the Constitutional Court's verdict.

BSP Demands Government Present Economic Program

AU0105120292 Sofia DUMA in Bulgarian 23 Apr 92 p 6

[DUMA PRESS report]

[Text] The Supreme Council of the Bulgarian Socialist Party [BSP] calls upon the government to officially announce, and submit to parliamentary control, its program for restructuring the economy, to cease its irresponsible administrative and political persecution of the economic cadres, and to adopt suitable anticrisis measures, states a resolution on the structural reform of the economy issued by the BSP Supreme Council and BSP members of the National Assembly.

The Socialists remind the public that for 15 months now the economic team of the Union of Democratic Forces has been conducting the economic reform in a chaotic manner and without a program. What has been achieved so far does not satisfy either the expectations of the public at large nor Bulgaria's foreign partners. The structural changes were postponed to make way for property restitution. The decline in production is continuing, unemployment is rising, inflation is causing mass impoverishment, and the differentiation in property owned by citizens is becoming increasingly unfair, the document states.

The Socialists point out that since the adoption of the primary economic laws, it has become clear that the prospects for economic restructuring remain unclear. Widespread bankruptcies and a million out of work, the final destruction of production links, the uncontrolled

influx of foreign capital, and difficulties for Bulgarian business will accompany the radical changes made in the conditions of the crisis.

The BSP Supreme Council demands full transparency and public discussion during the processes of restructuring and privatization. It proposes the creation of public bodies to monitor privatization, combat corruption, and unmask arbitrary administrative acts.

The BSP leadership calls upon party members and supporters to tackle production and social problems at every enterprise and, jointly with the trade unions, to defend those persecuted for political reasons.

By its conduct in the opposition, the BSP will strive to assist the civilized progress of the structural reform, privatization included, with the main aim of stabilizing and reviving production, the resolution states.

KNSB Leader Petkov Warns of High Inflation

AU0105185992 Sofia Khristo Botev Radio Network in Bulgarian 1730 GMT 1 May 92

[Text] Professor Krustyu Petkov, leader of the Confederation of Independent Trade Unions in Bulgaria [KNSB], took part in a meeting with local trade unionists and employers in the state and private sectors, which was also attended by representatives of the Union for Citizens' Economic Initiative. A discussion took place on issues regarding social partnership.

The initial inflation shock will be 57, not 20, percent following the forthcoming liberalization of prices, Krustyu Petkov stated, citing the findings of his experts. The trade unions will insist on receiving compensation payments at levels that will prevent people from becoming totally impoverished.

The KNSB leader described the cabinet's economic policy as extreme monetarism, and accused it of having dismantled the mechanisms of social partnership. Mr. Petkov thinks that the changes in the cabinet will be completed before 10 May and added that he personally does not believe that a coalition government will be formed, but he does not completely exclude the possibility that the Rights and Freedoms Movement may participate in it. The KNSB leader is not against this; it is enough that those in power take the responsibility for their actions.

Defense Minister, Greek Counterpart Conduct Talks

NC0205121992 Athens Elliniki Radhiofonia Radio Network in Greek 1800 GMT 30 Apr 92

[Text] Following an agreement that was signed between National Defense Minister Ioannis Varvitsiotis and his Bulgarian counterpart Dimitur Ludzhev, our country will undertake the restructuring of the Bulgarian Army. Yiannis Ioannidhis will brief us in this respect.

[Ioannidhis] Talks between National Defense Minister Ioannis Varvitsiotis and his Bulgarian counterpart Dimitur Ludzhev ended late this evening. The object of the talks was to affirm and improve the basic direction of the recent agreement for friendship and cooperation on the basis of conditions currently prevailing in the Balkans. The two ministers discussed Greek and Bulgarian security issues and decided to cooperate more broadly in the military field, establish an organization for the mutual briefing of the two countries, and for Greece to undertake the restructuring of the Bulgarian Army.

After referring to the meeting and talks he had with Varvitsiotis, the Bulgarian defense minister said that our government sees Greece not only as a neighboring country but even more as a friendly country. Referring to the Skopje issue, Ludzhev said that we understand Greece's and especially the Greek Government's difficulties. Bulgaria awaits the EC decisions.

In reply to a question by a reporter regarding reports about military materiel that is being transported through Bulgaria for Skopje, the Bulgarian defense minister categorically stated that these are rumors and the Bulgarian state will not allow the transport of military materiel through its territory.

In a statement he made immediately after the talks, Varvitsiotis said he is satisfied with the meeting and the talks, which took place in a frank atmosphere. Everything Ludzhev said supports the decisions of the two ministries for closer relations between our Armed Forces, Varvitsiotis said, adding that he had stated categorically that Greece has no designs against any neighboring country. He also said Greece is not prepared to cede a single inch of land, sea, or airspace. We decided to continue contacts so that we may follow up the decisions we have made, he said. In three months we will meet in Kavala, Greece, to review the things we have agreed upon. Furthermore, Greece is ready to lend its experience for the reorganization of the Bulgarian Army.

Finally, Varvitsiotis said he expressed his profound bitterness at Bulgaria's premature recognition of Skopje. This fact, although bitter for Greece, is not an obstacle for the Greek Government's intentions to help friendly Bulgaria. It will not affect our bilateral defense relations and we wish to find a better way for other types of cooperation. We will give this particular weight because we believe that the two countries want to constantly improve their relations.

Havel Comments on Visits to Japan, Korea

LD0305002692 Prague Stanice Ceskoslovensko Radio Network in Czech 1600 GMT 29 Apr 92

[Text] Czechoslovak President Vaclav Havel returned today from an official state visit to Japan and the Republic of Korea. He assessed the results of the trip for Czechoslovak Radio:

[Begin Havel recording] I think that the trip was a success. With both Japanese and Korean representatives, we understood each other well on all fundamental issues; we agreed on concrete matters with regard to future economic cooperation and so on. We informed each other about the situation in our countries.

I have emphasized on a number of occasions that in Korea it was actually the first visit of the head of Czechoslovakia since the Republic of Korea came into existence: it is only two years since we established diplomatic relations, and actually this is the beginning of political relations.

President Svoboda did go to a world exhibition in Osaka in his time, but it was not a state visit, and therefore this was the first state visit in the history of Czechoslovakia to Japan as well. And I think that both these visits were actually quite important because the establishment of more concrete cooperation in the economy, as well as in other areas—like science, technology, and culture—must be always preceded by political contact, political meetings, a political dialogue. I think that this visit has fulfilled this purpose. [end recording]

Economy Minister Evaluates U.S. Visit

LD0305195492 Prague Stanice Ceskoslovensko Radio Network in Czech 1600 GMT 2 May 92

[Excerpts] Federal Minister of Economy Vladimir Dlouhy returned from a visit to the United States this afternoon. After his arrival he gave the following interview to Marie Ruzickova of Czechoslovak Radio:

[Begin recording] [Ruzickova] Minister, during your visit to the United States you met with a number of important representatives of political and economic life, including Deputy Secretary of State Eagleburger. Could you characterize the content of these talks?

[Dlouhy] The talks concerned, in the first place, trade policy and mutual bilateral relations. On one hand, the talks were about our trade with the United States, and on the other, relations within GATT where the United States accepted our application for GATT membership at the end of last year.

Nevertheless, they feel that we have been granting more favorable customs concessions to the EC than to the United States, and therefore they would demand certain compensation from us. Such compensation has not been specified. I said that I could not accept any view that would confirm Czechoslovakia's willingness to take an accomodating attitude to such a compensation, but I also said that if a list is submitted the Czechoslovak Government will deal with it.

The other area was the conversion of the arms industry. The United States will send a delegation to Czechoslovakia to hold talks with the Czechoslovak Government on questions connected with the privatization of some arms enterprises and the possibility of their cooperation with U.S. companies.

Furthermore, we discussed the possibilities of establishing a free trade zone between the three central European countries—Poland, Czechoslovakia, and Hungary—and what relations such a free trade zone would have both with the EC and the United States. I expressed the view that Czechoslovakia is naturally a European country, and therefore, it must orient its trade policy above all toward the EC. On the other hand, this does not mean that we want to enclose ourselves within regional blocs. In the long term our trade policy must be oriented above all toward opening up our trade space—both to the EC and to other regional blocs.

[Ruzickova] This is precisely why I would be interested to know whether you also had talks with the representatives of the Canadian-American-Mexican Free Trade Association?

[Dlouhy] I was received by Secretary of Commerce Barbara Franklin and her first deputy, Schnabel, with whom I discussed in the first place the forthcoming meeting of economic ministers of a number of countries to take place next week. We also discussed mutual trade and issues connected with U.S. investment in Czechoslovakia. It was noted that progress has been made during the past weeks and months when a number of American companies have been successful in establishing joint ventures in Czechoslovakia. The situation since President Havel's visit to the United States in October last year has noticeably changed for the better. [passage omitted]

[Ruzickova] After your visit to Japan you admitted that Japanese economic experts' interest in Czechoslovakia has somewhat declined. Does this also apply to the United States?

[Dlouhy] I believe that interest in the United States is decidedly greater than in Japan. During all my meetings, I found that there is an ever growing number of companies that have come out successfully from individual joint venture negotiations. Yesterday for instance, a dinner in New York given by the New York Society for International Relations was attended by a large number of representatives—around 50—of companies that at present have a number of projects in progress. Of course, I do not want to talk specifically about some of these matters. When these projects are completed they will be announced. [end recording]

Comments on Meetings

LD0205085692 Prague CSTK in English 1458 GMT 1 May 92

[Text] Washington May 1 (CSTK)—Czechoslovak Economics Minister Vladimir Dlouhy last night said U.S. ex-President Ronald Reagan with whom he held talks here, "is a politician who symbolises the end of socialism, and although not an economist, he is a symbol of the vision of a new conservative economic policy".

In an interview with CSTK at the close of his two-day visit to the United States, Dlouhy summarised results of the talks he held here.

On a meeting with the secretary of housing and urban development, Jack Kemp, Dlouhy said Kemp supported Czecho-Slovak economic reform, price liberalisation and the privatisation process, and asked about problems of Czecho-Slovak-Russian trade.

Dlouhy said the United States will most probably ask Czechoslovakia to give it certain compensation for Czecho-Slovak customs policies "which the United States regards as discriminating in comparison with our policies towards the European Community (EC)".

Dlouhy said he assured U.S. State Department officials that the Czechoslovak Government "does not intend in the future to provide support for enterprises which will continue arms production. The enterprises which want to do so must run all the risks ...", Dlouhy said.

On U.S. investments in Czechoslovakia, Dlouhy said he agreed with Lawrence Eagleburger, U.S. deputy secretary of state, that more U.S. firms seem to have been interested in investing in Czechoslovakia recently.

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"The United States ranks fifth in the volume of investments in Czechoslovakia", Dlouhy told journalists in Washington yesterday. He called on U.S. business officials to go ahead with investment in Czechoslovakia.

Dlouhy, Baksay Evaluate Visit to Japan

AU0305144292 Prague HOSPODARSKE NOVINY in Czech 27 Apr 92 pp 1, 16

[Jozef Prouza report: "The Promise of Finances and Investments"]

[Text] The Czechoslovak-Japanese treaty signed in Tokyo also contains a clause on the most-favored-nation status and will replace, after the expiration of the six-month notice, (that is, on 17 October), the 1959 treaty, which is no longer relevant.

According to Minister of Economy Vladimir Dlouhy, the Ministry of International Trade and Industry (MITI) expressed interest in supporting Japanese entrepreneurs investing in the arms production conversion program in the CSFR. They intend to send two missions to our country, first one in May, the second in the fall. In the first stage, the missions will examine whether it would be possible for Japan to participate in the conversion, and in the second stage, they will lay the groundwork for specific cooperation. MITI representatives responded positively to the CSFR's demand to lift the embargo on high-technology products that are still on the list of the Coordinating Committee for Multilateral Export Controls. They promised that at a meeting of the council of this committee in Paris in June—this council controls the composition of exports into risk regions—they will support our cause. According to Federal Foreign Trade Minister Jozef Baksay, we succeeded in convincing the Japanese that we are able to prevent the undesirable reexport of sensitive goods to third countries. Baksay is also very satisfied with the awarded status of general customs preferences, since some 80 percent of our exports going to Japan will be duty-free as of 1 May. The MITI also promised that it will provide insurance for the projects of Japanese investors in our country. The negotiations with representatives of the Exim Bank in Tokyo regarding the loan for ecological purposes for desulfurization of the heat producing plants in Kosice and Presov were also successful. In May, the president of this important export and import bank should come to Czechoslovakia. The so-called soft loan credit, which the Japanese provide to less developed countries, has excellent conditions—4-percent interest, a repayment period of 25 years with a 10-year postponement—and is worth up to about $200 million. The supplier will be determined in a competition. Another loan, the so-called two-step loan credit, promised by the Exim Bank, and designed for the development of private enterprise, is very advantageous. This "two-step" credit will be provided to the Czechoslovak State Bank, which will allocate it through commercial banks to entrepreneurs who will present viable projects. The Japanese side was interested in our priorities when allocating this credit. The Czechoslovak side suggested four: orientation toward ecology, energy savings, the stimulation of exports, and the creation of new jobs. The rough amount and conditions for the credit are: $50 million payable in 10 years, 6-percent interest, and a possible postponement of the repayment is still to be discussed. At the Japanese Institute for Foreign Investments (JOI), Czechoslovak representatives completed the list of previously offered projects providing for a possible participation of Japanese investors by seven more projects. The JOI is a completely new organization (established by the end of last year), and some 170 Japanese companies showed interest in cooperating with it. Its task is not to allocate credits, but to investigate the investment climate in individual countries, gather information, and distribute it in Japan.

In the first group, Slovak enterprises, such as Komarno Shipyards, were included. In the newly accepted projects, the New Metallurgical Plant in Ostrava, Poldi Kladno [steel works], and South Bohemian Paper Works in Vetrni, and others, are included. At the same time,

JOI representatives were given a short list of 15 enterprises that will be privatized in the second wave, and in which foreign investors may find opportunities. Baksay said after talks with Honda company representatives that they, too, showed interest in conducting business in Czechoslovakia in the sphere of motorcycle manufacture. Bohemia was not considered, since the company Caigva has established itself there, but the name of the Povazske Engineering Plant was mentioned. Smaller motorcycles or scooters would be probably produced there.

The members of the economic part of the Czechoslovak delegation to Japan positively evaluated the acheivements, however, Federal Minister of Economy Dlouhy said that we must "humbly open our economy" to foreign capital and get rid of our illusion that there is a great interest in investing in our country and that we do not need foreign investments.

On 25 April, the official delegation headed by Havel, travelled by the superfast train Shinkansen from Tokyo to Kyoto, where the visit continued and had mostly a private program. On 26 April, the Czechoslovak delegation flew from Osaka to Seoul in South Korea, where there will be five economic negotiations on its agenda.

Prime Minister, Delegation Depart for South Africa

LD0105220992 Prague CSTK in English 1725 GMT 1 May 92

[Text] Prague May 1 (CSTK)—A Czechoslovak Government delegation led by Premier Marian Calfa left here today for a six-day official visit to South Africa. On May 5, Calfa is expected to meet with South African President Frederik W. de Klerk.

Calfa is the first foreign government official to visit the country after the March 17 referendum in which an overwhelming majority of white voters voted for furthering reforms towards the removal of apartheid.

The Czechoslovak delegation includes Federal Minister of Labour and Social Affairs Petr Miller, Czech Industry Minister Jan Vrba, Slovak Minister of Trade and Tourism Jana Kotova and Czechoslovak State Bank Governor Josef Tosovsky.

According to figures of the Czechoslovak Foreign Trade Ministry, Czechoslovak exports to South Africa in 1991 totalled 2.6 million USD and imports about eight million USD.

Dienstbier Defends Eastern European Policy

LD0205084592 Prague CSTK in English 1322 GMT 1 May 92

[Text] Brno, South Moravia, May 1 (CSTK)—Czechoslovak Foreign Minister Jiri Dienstbier defended here yesterday Czecho-Slovakia's foreign policy aim to be a stabilising factor in Eastern and central Europe.

Speaking to journalists, he said Czechoslovakia could not do without a consistent eastern policy. Being a stabilising factor in central Europe is a precondition for Czechoslovakia to be taken seriously, he said.

Dienstbier said cooperation between Czechoslovakia, Poland and Hungary is of key importance. He added that Czechoslovakia should sign a state treaty with Hungary and then hold talks on the unfinished Danube River dam project at Gabcikovo.

He also questioned whether Slovak politicians who talk about an independent Slovak state and Slovakia's being a subject of international law realise they must choose between becoming part of Europe which is falling apart or part of a stabilised Europe.

Turkey Lifts Ban on Dairy Products, Meat Imports

LD0105210992 Prague CSTK in English 2048 GMT 30 Apr 92

[Text] Ankara April 30 (CSTK)—Turkey has lifted its ban on imports of Czechoslovak meat, milk and milk products to Turkey after talks of Czechoslovak Foreign Trade Minister Jozef Baksay with Turkish Agriculture Minister Necmettin Cevheri.

Baksay, on a three-day official visit to Turkey since Tuesday, held talks with Turkish Premier Erdal Inonu on results of Czechoslovakia's economic reforms and opportunities for Turkish investment in Czechoslovakia.

Baksay signed in Ankara an agreement on the protection of investment and a protocol on mutual cooperation.

Diplomats Expelled From Libya Return Home

LD0305214392 Prague Stanice Praha Radio Network in Czech 2030 GMT 3 May 92

[Text] Two of the three employees of the Czechoslovak Embassy in Libya arrived in Prague by air this evening. They were forced to return to Czechoslovakia on the basis of the reciprocal measure taken by the Libyan authorities. The forced departure of the Czechoslovak employees from Libya is its reaction to Czechoslovakia's demand that the Libyan military representative mission immediately halts its activity and that Libya considerably reduce the number of its civilian diplomatic employees in Czechoslovakia. This measure is based on the decision taken by the UN Security Council to impose sanctions against Libya.

Those who returned to Czechoslovakia are (Karel Fiser), counsellor of the Czechoslovak Embassy in Libya, and Miroslav Matyska, deputy military and Air Force charge d'affaires. Miroslav Maly, representative of our trade mission, is on the way back by car and the fourth of the employees who are returning, Miroslav Gombar, is presently on vacation in Czechoslovakia.

Cabinet on Former Soviet Property, Other Matters

LD0105204492 Prague CSTK in English 2140 GMT 30 Apr 92

[Text] Prague April 30 (CSTK)—The Czechoslovak Government today charged Environment Minister Josef Vavrousek with proposing within a fortnight a mechanism for transferring into the jursdiction of the Czech and Slovak republics former Soviet property in Czechoslovakia, that is of no use to the federation.

On April 1, Czechoslovakia and Russia signed an agreement under which all property of the former Soviet Army on Czechoslovak territory became the property of the Czechoslovak state.

Recalling the agreement today, Vavrousek said both sides have given up all claims on each other. This means the Czechoslovak state will bear the costs of compensating Czechoslovak citizens for damage caused to health, property and the environment during the nearly 23 years the Soviet troops stayed in Czechoslovakia.

The Soviet Army, together with those from another four member states of the former Warsaw Pact, crushed the 1968 reform movement in Czechoslovakia referred to as "Prague Spring". The last Soviet soldiers left Czechoslovakia in June 1991.

At a press conference April 2, Vavrousek said Czechoslovakia assesses the damage caused to the local population's health at 35 million crowns (over one million USD), property damage at 50 to 100 million crowns (1.6 million to 3.3 million USD) and environmental damage at 2,000 million crowns (67 million USD).

After the cabinet session today, Vavrousek announced that an international competition will be held to decide how to use the two biggest complexes left in Czechoslovakia by the Soviet Army—Milovice, central Bohemia, and Ralsko, north Bohemia.

The cabinet today also decided to allocate 17.6 million crowns in 1992 for the publication of papers of the German, Polish, Romany and Hungarian national minorities. An allocation for the Slovak Government has already been made.

To facilitate further resettling of Ukrainian and Byelorusian citizens of Czech and Slovak origin from regions affected by the Chernobyl nuclear power plant disaster, the government approved subsidies of 8 million crowns (about 270,000 USD) in the Czech republic and 5.3 million crowns (about 180,000 USD) in the Slovak republic.

The cabinet agreed with television transmissions in the PAL system. The transition from SECAM to PAL is expected to be completed by the year 2000.

The government approved the conclusion of a Czechoslovak-U.S. agreement on the mutual removal of income taxes in international ship and air transport.

By the end of this year, Czechoslovakia will open a culture and information centre in Vienna.

After the cabinet session, Czechoslovak Premier Marian Calfa, Czechoslovak Cooperative Union Chairman Ota Karen, President of the Czech and Slovak Confederation of Trade Unions (CSKOS) Richard Falbr and President of the Conferederation of Arts and Culture (KUK) Antonin Foldyna signed a "general agreement" for 1992.

The agreement is intended to keep social peace in Czechoslovakia during the transitional period from centrally planned economy to a market system, and from totalitarianism to democracy. A similar document was also signed for 1991.

Asked why the agreement was concluded only now, four months after the beginning of the year, Calfa said it could be signed only when all the sides concerned could do so with pure conscience.

State Bank Issues Financial Statement for March

AU0305154692 Prague HOSPODARSKE NOVINY in Czech 28 Apr 92 p 9

["Czechoslovak State Bank Statement of Assets and Liabilities"]

[Text]

	in million korunas	
ASSETS	**31 Mar 92**	**10 Apr 92**
Gold	6,242.2	6,243.2
Reserve position with the IMF membership share	28,547.5	28,547.5
Deposits with foreign financial institutions	81,605.0	86,789.1
Foreign currency credits and other accounts	1,045.8	1,033.3
Receivable abroad	—	—
Accounts receivable from domestic financial institutions	143,161.3	145,300.7
Customer loans	4,724.4	4,635.4
State budgets current receivables	—	2,986.1
Treasury notes	2,420.0	3,749.8
State financial liabilities	89,594.9	89,580.0
Securities	4,800.0	4,800.0
Cash	1.7	1.8
Other assets	2,466.1	2,481.9
Total	364,608.9	376,148.9

LIABILITIES	31 Mar 92	10 Apr 92
State Bank equity capital	1,400.0	1,400.0
Currency issue	87,961.6	85,207.4
Accounts payable to foreign financial institutions	110,648.5	113,859.4
Other accounts payable abroad	16,235.6	16,463.0
Accounts payable to domestic financial institutions	47,508.0	69,410.6
Customer deposits	9,326.6	13,319.9
State budgets current payables	23,039.0	7,043.6
State financial assets	53,061.4	54,213.3
State funds	695.9	588.1
Compensatory fund for special drawing rights	—	—
Total securities issued	8,049.5	8,049.5
Other State Bank equity assets	2,866.6	2,777.5
Other liabilities	3,816.2	3,816.4
Total	364,608.9	376,148.9

Czechoslovak State Bank Governor J. Tosovsky

Information System Director General J. Hampl

Foreign Minister Jeszenszky Discusses China Visit

LD0305000292 Budapest Kossuth Radio Network in Hungarian 0600 GMT 29 Apr 92

[Interview with Foreign Minister Geza Jeszenszky by unidentified correspondent in Beijing; date not given—recorded]

[Text] [Correspondent] Mr. Minister, in the midst of the present somewhat wobbly Hungarian-Chinese relations, how can this visit be judged, after the first day, the first meeting with Foreign Minister Qian Qichen?

[Jeszenszky] This is already the fourth meeting with the Chinese foreign minister, if I include the meetings at the United Nations as well.

I think the greatest significance of my present visit is for China, a world power, a permanent member of the Security Council, to receive first-hand information from us on issues where the impact of the words of China are significant, for instance the southern Slav crisis or other minority questions and the whole transformation in Central-Eastern Europe.

[Correspondent] You signed an agreement concerning visa arrangements. In what way does this contain anything new?

[Jeszenszky] It regulates the situation that arose after the more stringent entry and transit regulations introduced in Hungary. So, there had been a great number of Chinese people staying in Hungary illegally, without residential permits. Now we have settled the question of visa requirements, that those holding diplomatic or official passports do not need visas, and others come under the same regulations as is the case of other European countries, and there is a need for visas for the Chinese. I think this will ensure that those who are carrying out mutually advantageous economic activities legally can come to Hungary, but those who are inclined to carry out illegal activities should not be able to enter the country.

Views PRC Policy, Prospects

LD0305182292 Budapest Kossuth Radio Network in Hungarian 0705 GMT 3 May 92

[Interview with Foreign Minister Geza Jeszenszky by unidentified correspondent in Beijing; date not given—recorded]

[Text] [Jeszenszky] China places stability above everything. Hungary is also interested in the existence of stable [word indistinct] both in our smaller region and in distant territories. Europe can advance toward stability, and China also considers this important. I consider it important that the world is moving from being bipolar to becoming more and more mulitpolar. Hungary does not think about these questions in entirely the same way as China [word indistinct]. It is extremely desirable that we cooperate with China, for example in the Security Council.

I hope that in both the negotiations and my lecture today, I managed to indicate that the minority problem is not necessarily a source of danger. Conflicts or tensions do not result from the fact that the minorities demand rights for themselves, but from the suppression and denial of the just endeavors of minorities. Thus, peace and stability can only be achieved by the the granting of these just demands.

I also tried to indicate that it is in China's interest to welcome European efforts for unity. European integration will spread and Central Europe will soon join. This process too may be the result of multipolarity. Thus, China should not grieve over the end of Soviet rule over Central Europe. China should not only accept this as a fact but should also see the positive and valuable elements, from its own point of view.

[Correspondent] What is your opinion about Chinese developments and reforms? What did you experience during this short visit?

[Jeszenszky] My impression is that China is very cautiously advancing along a good road, which can bring with it not only a gradual increase of prosperity but also the spread of pluralism, if within limits. I think that while China was naturally frightened by the collapse of the Soviet Union and the East European communist regimes, it will not allow anything similar to happen. However, I think that the achievement of freedoms, even according to our European requirements, will come about. This will not occur dramatically; it is a slow and controlled process. I think that the people's endeavors for free movement and scrutinizing the government is such a strong process that nobody can resist it, and today, realistically, they do not even wish to resist this. After all, it is in everybody's interest for this not to take place in an explosive form. This is would be better both for China's citizens and for the world.

Discusses Entering Chinese Market

LD0205094992 Budapest MTI in English 1812 GMT 1 May 92

[Text] Canton, May 1 (MTI)—China, particularly South China, is currently undergoing an economic revolution controlled from the above, and it seems to be very successful, Hungarian Foreign Minister Geza Jeszenszky told MTI's correspondent on Friday after visiting two cities in Kwantung province, the provincial seat Canton and Foshan, 30 kilometres to the south.

The minister said it will be difficult for Hungarian goods to penetrate the Chinese market, but added that Hungarian businessmen will hopefully still discover some opportunities there.

Hungarian products that can be sold in America, Western Europe and Japan—such as medical equipment

and medicine, have a chance of appearing in China. For this, however, they need to become competitive in respect of price and quality, the foreign minister said.

Jeszenszky said that at present the Chinese commodities seem far more likely to make powerful inroads in the Hungarian market, than vice versa.

Returns From Visit

LD0305174992 Budapest MTI in English 1651 GMT 3 May 92

[Text] Beijing, May 3 (MTI)—Hungarian Foreign Minister Geza Jeszenszky on Sunday left Beijing at the end of six-day visit to China.

While in Beijing, he held talks with his counterpart Quian Qichen, Prime Minister Li Peng and Wan Li, chairman of the Standing Committee of the National People's Congress.

He signed a new agreement on visas, whereby visa requirements will be cancelled for citizens travelling with diplomatic or service passports, but not for people with individual passports.

In the second half of the week, Jeszenszky paid a visit to the south Chinese province Kwantung.

Speaking to MTI's Beijing correspondent prior to his departure, Jeszenszky said, "China is no doubt a political great power, and I feel it is well on the way to becoming a great power economically too.

"My hosts stressed more than once they see something entirely new in the Deng Xiaoping line. I think this is quite true. It is impossible not to recognize the significance of the 1979 changes in China.

"The process which started in the late 1970s was far more penetrating than the cautious Hungarian or Polish reform. We cannot forget the bloodshed in Tiennanmen Square, the countdown with students demanding political reform, but while mourning the students killed and calling for the release of political prisoners, one should see that the Tiennanmen Square incident was an intermezzo in historical perspective: It brought neither radical political change, nor regression, at least not in the economic sphere.

"Although the leadership is the old one, as is political rhetoric, the economic practice has changed a lot. Much of yesterday's poverty has remained, but the shortage that characterized the so-called socialism seems to have disappeared here," Jeszenszky said.

Japanese Defense Minister Arrives on Visit

Meets With Fur

LD0105194492 Budapest MTI in English 1643 GMT 1 May 92

[Text] Budapest, May 1 (MTI)—"This was the first time that a Japanese defence minister visited Hungary and central Europe," journalists were told at the Defence Ministry in Budapest this afternoon. The press conference followed talks between the Hungarian and Japanese defence ministers, Lajos Fur and Sohei Miyashita.

Fur said his partner mainly inquired about questions related to European security and Hungary's view of current processes in the former Soviet Union from the point of view of security policy.

Cooperation was to be intensified between the two countries' military leaders, with exchanges of experience in the offing. A Hungarian Military Attache Office is expected to open in Tokyo, and a similar Japanese mission in Budapest.

Sohei Miyashita emphasized the recent major changes in Hungary. He said Budapest was in the lead in the region. Asked whether the Hungarian Army can count on Japanese military technology, the guest gave the evasive reply that it can only be a part of future cooperation.

Concludes Visit, Departs

LD0205213192 Budapest MTI in English 1714 GMT 2 May 92

[Text] Budapest, May 2 (MTI)—Miyashita Sohei, state minister and director-general of the Japanese Defence Agency (defence minister), left Hungary on Saturday afternoon.

Heading a delegation, he arrived on an official visit here on Friday at the invitation of Defence Minister Lajos Fur.

The Japanese minister held talks at the Defence Ministry about the military policy situation of Eastern and Central Europe, and Hungary in particular.

Fur briefed the Japanese delegation about Hungary's draft military doctrine, and the presence and future of the Army.

Official on Security Policy, Defense Principles

LD0305211892 Budapest Kossuth Radio Network in Hungarian 0705 GMT 3 May 92

[Excerpts] On 30 April the Hungarian Government discussed the security political concept of our country and the basic defense principles. The document has not been published yet; parliament has to endorse it first. But Ivan Baba, appointed deputy state secretary of the

Foreign Ministry talked to the chief editor of the "World Clock" program about the basic principles included in the document:

[Begin recording] [Editor] What has become public so far of the text indicates that there is a change compared to earlier ideas. That is, that Hungary does not wish to be neutral and it does not think in some kind of regional security system. Could you outline this? Why are we abandoning the idea of neutrality?

[Baba] On the one hand, neutrality only had any meaning when two military-political blocs faced each other. During that time Austria, Yugoslavia, and Finland had their particular role. Since this opposition ceased, neutrality, both in essence and in this context, has lost its meaning. This is one of the reasons. Thus there are no countries among which a country should be neutral.

The other reason is the question of unequivocal political orientation. Hungary became an associate member of the EC, we signed the agreement and we made it clear unequivocally that we would like Hungary to become a full EC member by the end of the decade at the latest. This means that both politically and economically, we wish to integrate fully into the EC and its logical consequence, that we wish to also integrate totally from the security and political standpoints, since the EC will also become a security community.

[Editor] So in this respect, you are not very far from the concept represented by Gyula Horn, chairman of the Hungarian Socialist Party, namely that we should join NATO as soon as possible, and we should submit our application tomorrow even.

[Baba] We are very far from this in practical terms, for we consider it inconceivable that we would submit the application tomorrow, since it would obviously be rejected. According to our ideas, practical and pragmatic relations have to be developed with NATO by means of several links, the closer the better, from education to strategic planning and political cooperation, and from this many faceted practical cooperation we should in time reach de jure NATO membership.

Thus, in our interpretation, this is a long process that will last for years.

[Editor] Are we to understand that this system of relations will be so deep and comprehensive that, past a certain point, if Hungary is ever threatened—let us not discuss now from which direction—NATO or the West European Union [WEU] would have no choice but to come to Hungary's rescue? Thus, you, the Government of the Hungarian Republic, could entice NATO and the WEU into the region?

[Baba] Yes. Think of Sweden's situation. If we take this example, Hungary and the three Central European countries must achieve a kind of similar status—which we have more or less already achieved. Thus, I think that if Hungary is faced with a serious military attack, the Western countries and NATO would not be entirely passive.

[Editor] The Soviet Union has ceased to exist, Yugoslavia has disintegrated, instability and uncertainty threaten Hungary, most of all from the south and southeast. In your view, how big is the risk?

[Baba] It is not a danger in the sense that a frontal attack threatens Hungary either from the south or the southeast. The elements of danger do not really mean a war between two countries. For example, as a result of the disintegration of Yugoslavia, a strong wave of refugees started out from Yugoslavia. [passage omitted]

Security policy consists of many elements and in a modern security political concept, for example migration, economic instability, and ethnic conflicts have the same sort of significance as armed conflicts—they have to be taken into consideration equally.

[Editor] This security policy says that Hungary does not presuppose about any country that it could be an enemy of our country. At the same time, who could be an ally? Did you think about this?

[Baba] Of course, we thought about this also. It is quite obvious that our relations with Austria are developing in a way that they will be free of any conflict. It can be seen obviously that our relations with Slovenia will be trouble free. Our relations with Ukraine are developing well. We do everything to insure that we have balanced relations with this big and new neighbor, and it is our mutual interest that we should help Ukraine's integration into Europe, and we can help in this. [passage omitted]

We hope that Croatia will be stabilized soon, and the present situation indicates that Croatia will be a good partner—what is more, our friend. We hope that the extreme forces existing in Croatia will not gain positions to govern that country, and so a democratic Croatia would be a good partner.

The situation with Slovakia is such that, if Czechoslovakia stays together, then probably this good partnership, pointing toward friendship, will remain since it is in our mutual interest to go to Europe together. I very much hope that the Visegrad 3 will be an active and well-operating system and will help the integration of all three countries. And if Slovakia becomes independent, I do not believe that destabilization of such a rate would take place in the country, or anti-Magyar feelings would evolve to the extent that they would threaten Hungary's stability and security.

In Serbia, I hope that in the foreseeable future a political situation will evolve that at least will respect the international documents on the basis of which the world is organized today—the UN Charter, the [word indistinct] documents. Thus, the war activity of Serbia will cease.

In the case of Romania, a relatively decent democratic political grouping is evolving and we very much hope

that a political situation will come about in Romania also, when the Romanian political leadership will not be in need of an enemy either and they will not pull the Hungarian card out of the pack when internal tension occurs—although we envision Romanian and Serbian democratic transformations taking place over several years.

[Editor] Does the security policy contain reference as to what to do when certain Hungarian manifestations are interpreted in Romania or Serbia as a demonstration of some kind of revisionist endeavor?

[Baba] This is not a real security policy danger, since this has always appeared in the form of press campaigns. In fact, neither the Serbian nor the Romanian government reacted to these manifestations. In most cases it was the press which reacted both in Serbia and Romania, and this is not a danger. This is an argument, a squabble but it will not result in conflict. [passage omitted] [end recording]

Finance Minister on Talks With World Bank

LD0105112692 Budapest Kossuth Radio Network in Hungarian 0400 GMT 30 Apr 92

[Text] And now a statement of praise which can be worth money. Gyorgy Bolgar interviewed Finance Minister Mihaly Kupa in the United States.

[Bolgar] According to the president of the World Bank, Hungary is leading Eastern Europe. This is what Finance Minister Mihaly Kupa said about his meeting with him in Washington. At the same time, he said, the World Bank does not judge the Hungarian situation from exactly the same point of view as the IMF.

[Begin recording] [Kupa] Both the World Bank and the IMF agreed, and this was emphasized by the president of the World Bank as well, that we are leading in Eastern Europe, to quote him literally. However, they are rather interested and involved in major structural—that is economic-political—transformations and they are less concerned about daily budgetary problems. Therefore, they mentioned this to a lesser extent.

[Bolgar] However, at the talks with President Preston it was said that assistance for the former Soviet Union should not be given at the expense of central and Eastern Europe.

[Kupa] Their approach is that Russia and these republics, have to be put in order, which of course will take years, so that they can link up with international economic life, including, for example, the Hungarian economic ties with this region as well. We will benefit from it. Second, it was also said here in response to my comments, that supporting the CIS countries cannot overshadow the development possibilities of Hungary or the Eastern European region. Third, I suggested that we have quite many good experts who know the region, the relations, and the people very well and we are readily participating in this program. [end recording]

Defense Budget Cut by 77 Million Forints

LD0305013992 Budapest Kossuth Radio Network in Hungarian 0900 GMT 29 Apr 92

[Text] Nearly 77 million forints will be cut from this year's budget of the Hungarian Ministry of Defense [MoD].

Part of this will be because the government earlier decided to reduce by four percent the public administration expenditure by government ministries. But 51 million forints will be cut from the budgetary support for the Ministry of Defense.

Acting spokesman (Laszlo Titkos) said that, although the Ministry is aiming at maximum savings, the reduction in allocation will result in tension. As a consequence of this, further measures will be needed. In both areas [not further specified], the intention is to implement the cuts by reducing operational expenditures, disclosed the acting spokesman.

Foreign Trade Balance Shows Surplus

LD0105103392 Budapest MTI in English 1502 GMT 30 Apr 92

[Text] Budapest, April 30 (MTI)—Hungary's foreign trade balance showed a surplus of almost 400 million dollars over the first three months of the year, as compared to a deficit of 100 million dollars in the same period of last year, the Ministry of International Economic Relations told the press today.

Exports were 2.4 billion dollars in January-March, 13 per cent up on the figure for the same period of last year.

Imports decreased by 10 per cent to just over 2 billion dollars.

Foreign trade was mostly transacted in convertible currency in the first quarter of the year.

External economic processes go to show that trade with Eastern Europe is now past the worst of the crisis, with a chance of slow development.

Nuclear Power Stations Require Renovation

LD0105133192 Budapest Kossuth Radio Network in Hungarian 1600 GMT 30 Apr 92

[Text] According to the European Nuclear Society, some of the Central-East European nuclear power stations need renovation. There are some which should simply be dismantled. Anna Flori reports on their general assembly in Budapest.

[Flori] In spite of Eastern Europe's experiences, which are not exactly encouraging, nuclear energy is an indispensable source of energy throughout the world. This

was demonstrated by the report by the Society's chairwoman, Mme. Levine, which had a lot of data to support this. She called attention to the fact that nuclear power stations function much more economically than those fueled by traditional oil or coal, not to mention that they are independent of the world market's energy prices. She said that if Western Europe were to close down these power stations, the governments' energy costs would double or triple.

The journalists were preoccupied primarily with the dangers of consuming nuclear energy, but as the chairwoman said: If the reactors are operated in accordance with stipulations, they are no less dangerous than, for example, an oil well. They cannot even be compared from the viewpoint of environmental protection.

The East European power stations, which are not at all modern, in the opinion of the Society, need to be either dismantled or renovated. It emerged that several French firms have indicated that they are ready to assist Hungary in this, but they have not received an answer to date from the Hungarian Government. However, Mme. Levine emphasized: They have no right to close down the power stations which are judged as being out-of-date, since they are a social organization which has no official jurisdiction. This, she said, comes under the jurisdiction of the International Atomic Energy Agency.

Antall Comments on Dam Issue, CSFR

LD0105213192 Budapest MTI in English
2008 GMT 30 Apr 92

[Text] Budapest, April 30 (MTI)—In reply to a question, Hungarian Prime Minister Jozsef Antall told the evening news programme of the Hungarian Television that the issue of the Gabcikovo-Nagymaros water barrage would not deteriorate relations between Hungary and Czechoslovakia.

Frans Andriessen, Vice President of the European Commission, will study the issue on the spot and the Hungarian Government will accept the EC's objective position, he said.

"In a move to settle the differences concerning the draft law on minorities, I proposed that the government invite leaders of minorities in Hungary, and Budapest ambassadors from the countries concerned. I will meet them personally to coordinate our views," the prime minister said.

In reply to the question of whether there was any significance that the government accepted the draft social welfare law on the eve of May Day, the prime minister said:

"It was not a 'message.' Our government does not favour campaigns. Social legislation goes hand in hand with the country's economic development. In Hungary, May Day may regain its original function: It will again be a celebration of solidarity between employees."

In conclusion, Antall said:

"I feel well. On May 6, I will leave for Prague to attend a meeting of Hungarian, Czechoslovak and Polish heads of state. I think it will be a very important meeting. It was not for reasons of health that I previously stayed away from some meetings abroad."

Demonstration Outside Austrian Embassy

LD0205223592 Budapest MTI in English
2114 GMT 2 May 92

[Text] Budapest, May 2 (MTI)—A demonstration was organized by the Hungarian Environment Fund tonight at the Austrian Embassy in Budapest to protest against the intention of Austrian businessman Hannes Androsch (former finance minister and vice-chancellor) to provide financial support for the construction of the Gabcikovo-Nagymaros hydroelectric power plant on the Slovakian side of the Danube.

The protesters called for a general trade and tourist boycott against Austria.

Under the decision of the Hungarian Parliament, the government has to cancel the 1977 inter-state agreement on the project if Czechoslovakia goes on with building works.

According to current Czechoslovak plans, known as version 'C', the Danube would be diverted, posing a serious danger to local drinking water supply and the ecological balance.

Three Hungarian environmental movements—the Danube Circle, the Hungarian Green Party and the Air Working Group—decided not to back the boycott, Janos Vargha, a leader from the Danube Circle, told the press before the protest started.

He said they chose to send a letter to Austrian MPs [members of parliament] asking their intervention in their country against business circles acting in defiance of international law and environmental interests.

At the beginning of the demonstration, about 100 people assembled outside the Austrian Embassy. Later on, the number of participants swelled to nearly 1,000.

The boycott appeal was read out through loud-speakers, in which Hannes Androsch and Slovak Prime Minister Jan Carnogursky were called modern barbarians for wanting to destroy one of Europe's most beautiful sceneries.

Anti-Government Demonstration Termed 'Successful'

LD0105135692 Budapest MTI in English
1656 GMT 30 Apr 92

[Text] Budapest, April 30 (MTI)—The anti-government demonstration staged in Budapest on April 25 was a successful action which mobilized a crowd of 250,000,

Jozsef Torgyan, president of the Independent Smallholders Party (ISP), told the press on Thursday.

According to the police, there were at most 12,000 demonstrators in the street. The crowd demanded that Jozsef Antall's government should be replaced by an expert government, parliament converted into a bicameral legislature, and the election law amended.

On Thursday, Torgyan accused the press of having misled the public with regard to the number of demonstrators. For this reason, he said, the smallholders will launch a campaign for guaranteeing the freedom of the press.

Although Torgyan is president of the ISP, all the prominent personalities of the party have dissociated themselves from him. The ISP has been member of the governing coalition since the Antall government took up office. Initially, Torgyan headed his party's parliamentary group, but later on he was relieved by his fellow MPs. In the meantime, the national meeting of the party elected him ISP president. He had a series of conflicts with all party leaders, and suspended the membership of almost all of them. Thirty-five of the party's 45 MPs dissociated themselves from Torgysn, while the remaining ten deputies quit the governing coalition. The April 25 demonstration, however, was objected even by the ten. They particularly opposed the secret pact Torgyan concluded with the right-wing parties of the opposition roundtable.

Controversy Over Parys Comments Continues

Ministry To Withold Changes

LD0105122892 Warsaw PAP in English 1618 GMT 30 Apr 92

[Text] Warsaw, April 30—President Lech Walesa Thursday [30 April] sent a letter to Deputy Defence Minister Romuald Szeremietiew urging him to withhold all changes in his ministry until the Minister Parys case is clarified, presidential press bureau announced.

"As the superior of the Armed Forces who safeguards the state's sovereignty and security I ask you—as acting defence minister—to relinquish all organizational and personnel changes in the ministry you head until a final explanation to case examined by a Sejm committee is offered".

Meanwhile, the Sejm (lower house) committee, set up on April 25 to clarify the announcement made by Defence Minister Jan Parys on April 6 in which he had accused some politicians of attempts to embroil army with party politics, turned to the prime minister to prolong Minister Parys's forced leave.

Parys Critical of Politicians

LD0105145392 Warsaw PAP in English 1829 GMT 30 Apr 92

[Text] Warsaw, April 30—In the first public appearance since the beginning of his forced vacation Defence Minister Jan Parys said on Thursday [30 April] that politicians who had supported the Army when it was associated with a foreign power and today attacked the Army of Independent Poland made up "the list of national disgrace."

Speaking to a congress of Polish republic's citizens in Warsaw Minister Parys criticized those politicians who are campaigning for lower budget of the Army in the intention which he described as: "We'd better have this Army disarmed once it has turned post-communist."

Minister Parys stressed that the West finds changes introduced in the Polish Army during the recent four months credible and that Poland is in a good position to take care of its sovereignty, especially as the external situation is good at the moment. "For this we need a front of people making up an independence camp. Both the officers and soldiers are ready to die for Poland but only for an independent Poland," Minister Parys stressed.

Commenting on the statement, chief of the National Security Office at the Presidential Chancellery Jerzy Milewski told PAP that "Minister Parys, as usual, is steadfastly trying to persuade us that there exists some internal or external enemy of the third Polish Republic. At the same time he loudly declares his intention to heroically unmask and fight this purported enemy."

Asked to comment on Minister Parys's enunciations earlier today, President Lech Walesa charged Parys with "lack of respect" for the parliamentary commission appointed to review his case, and added that this is something to be ashamed of.

The Polish president called for a more serious approach and for refraining from actions destructive for democracy.

The president charged Parys with showing no respect for the parliamentary commission, which has not yet published its report and which is senior in rank to the government commission which had scrutinised the case before.

When asked whether he and Prime Minister Jan Olszewski had reached agreement on the Parys case during their meeting on Monday [27 April], the president replied: "It seemed we had, but then it turned out we had not".

Parys's Leave Extended

LD0105153492 Warsaw PAP in English 1934 GMT 30 Apr 92

[Text] Warsaw, April 30—The Sejm (lower house) Committee headed by Deputy Aleksander Bentkowski (Peasant Party, PSL) on Thursday [30 April] asked for an extension of Defence Minister Jan Parys's vacation until the committee completes examining his case, that is, until the end of May.

Parys was forced to take a leave after he had made a public statement on the alleged attempts of some politicians to use the military for political games on April 6.

The committee wants to avoid working under pressure from a situation where they would examine the case of a minister who presumably has already been cleared by the previous, government commission and is now back in his office.

Before receiving all materials from the previous committee, Aleksander Bentkowski opined that "Parys surely must have had some real points to make once he used those sharp words."

Bentkowski added that the committee had invited Minister Parys to the next committee meeting on May 5 at which they would together watch a videotape shot during Parys's meeting with general staff officers on April 6, when the minister made his controversial statements.

Meanwhile, the head of government press bureau said tonight that the prime minister has complied with the Sejm commission's request to extend Parys's vacation and "is going to ask National Defence Minister Jan Parys to extend his vacation until the Sejm commission has finished its work so as to secure conditions for a fully objective approach by the commission, as was the case with the government commission," which had studied the case earlier.

Parys Ordered To Stop Statements

LD0205174792 Warsaw Radio Warszawa Network in Polish 1700 GMT 2 May 92

[Texty] We are interrupting the world news for a moment because we have received a communique from the government press office. Here is the information: As a result of recent remarks by Dr. Jan Parys, the minister of defense, the chairman of the Council of Ministers has issued instructions that Minister Parys restrain from making any public statements until further notice. The prime minister at the same time has extended the minister's leave until the work of the special Sejm commission is completed. During this time the work of the Ministry of National Defense will be directed by Deputy Minister Romuald Szeremietiew. That is all there is in the communique. We are returning to world news.

Parys Urges Creation of Committees

LD0205181692 Warsaw TVP Television Network in Polish 1730 GMT 2 May 92

[Text] Jan Parys, the minister of national defense, at a meeting with the Warsaw Citizens' Alliance which is giving him its support, called for the creation of state defense committees. The minister repeated his ideas regarding the need to strengthen the Army and to ensure its apolitical character.

[Unidentified correspondent] During the meeting Jan Parys said that as minister of defense he had tried to protect the Army from a political battle. The minister also spoke of the need for Poland to draw closer to the military structures of Western Europe.

[Parys] I have consistently undertaken decisions that are aimed at linking Poland with the West. The pace of these decisions set in motion the resistance of the forces of the old order—mainly from outside the Army—resistance of the opportunistic forces, which defended the pro-Russian status quo in the Armed Forces. Soldiers of the Polish Army, although they had started their service in another country, have accepted the pro-Western option faster than many other citizens. It is not true that the officers are communists. In my view they are, to a very large extent, in their majority, just Poles, ready to give their lives for their country and not just to discuss this country.

[Correspondent] The minister appealed to all those who supported him all over Poland to set up state defense committees in case the state finds itself without a budget, the government without powers, and the parliament without an electoral law.

[Parys] I appeal to you, let us give this some thought: whether in case the country finds itself without a budget, the government finds itself without powers, and the parliament finds itself without an electoral law we should not be creating state defense committees. The Polish State needs help and support.

Spokesman Comments on 'Affair'

LD0205183492 Warsaw Radio Warszawa Network in Polish 1700 GMT 2 May 92

[Text] Jan Parys, the minister of national defense, appealed for the creation of state defense committees during a meeting organized by the Warsaw Citizens' Alliance in an effort to support him. Minister Parys described these committees as a movement of the people with clean hands who would defend an independent Poland if the government was left without powers and the parliament without an electoral law.

We have asked Andrzej Drzycimski, the president's spokesman, to comment on today's statement by Jan Parys, minister of defense.

[Drzycimski] As the Polish president's spokesman I must state that it is difficult to comment on the statements made by government officials who are on vacation. However, the assessment of the scope of the so-called Parys affair I leave to public opinion. I would like to point out that the minister's stand, we may assume not without his superiors approval, does not make the work of the extraordinary commission formed by the parliament easier. Only this commission, the president emphasized this several times and on his motion it has been appointed, may and it should objectively and honestly assess the work of the Ministry of National Defense including also its leadership. It is in accordance with the Constitution, the law, and the principles of democracy. Everyone should obey them and, in particular, people holding high state posts.

Nastase on UN Human Rights Commission Membership

AU0105203292 Bucharest Radio Romania Network in Romanian 1900 GMT 1 May 92

[Statement by Romanian Foreign Minister Adrian Nastase; place and date not given—recorded]

[Excerpts] The election of the members of the United Nations Human Rights Commission takes place periodically within the Economic and Social Council, which is a main organ of the United Nations consisting of 54 member states. [passage omitted]

I consider this a good result and also an important moment in Romania's evolution and participation in international life, with special respect to the issue of human rights. [passage omitted]

Romania has closely cooperated with this commission, with its special rapporteur, and is to be found among the authors of the resolution stipulating that the UN Human Rights Commission rapporteur should continue his activity in our country. The commission assessed during its latest session between January and March this year that—as a result of the progress in our country and of the irreversibility of our democratization process—maintaining a special rapporteur in Romania has become groundless. [passage omitted]

Government Resolution on New Prices Released

AU0105173092 Bucharest ROMPRES in English 1400 GMT 1 May 92

[Excerpt] Bucharest ROMPRES, 1/05/1992—On Friday, May 1, the resolution of Romania's Government was released on the regulations in negotiating prices and tariffs of goods and services for the population in the conditions of diminished subsidies from the budget, which is to come into force on May 5, 1992. The resolution also includes annexes with the retail prices and tariffs for goods and services for the population the state subsidies of which are reduced by 25 percent, and specification is made that the prices and tariffs at the other products in the groups and subgroups of goods and services included in the annexes will be established through negotiations between manufacturers and beneficiaries on their own responsibility, under the supervision of the Ministry of Economy and Finances' department for prices and protection of competition and of the Ministry of Trade and Tourism's general department for the consumers' protection.

The resolution also includes specifications on the sums and means of compensation-indexation for the population for the various categories of products, function of the prices due to come into force on May 5. [passage omitted]

Press Comments on Price Rises

AU0105181992 Bucharest ROMPRES in English 1519 GMT 1 May 92

[Excerpt] Bucharest ROMPRES, 1/05/1992—The Romanian press of May 1, 1992, focuses on the Romanian Government's resolution to reduce by 25 percent the subsidies from the budget for a series of goods and services which also implies increases of prices.

In its editorial TINERETUL LIBER prints the list of prices at a series of essential goods and services and emphasizes inter alia: "Taking into consideration the difficulties of the transition, the industrial workers in state enterprises are among the first to feel the shock of the reform. To protect them, to manifest receptivity to their problems in the act of governing does not mean neocommunism or cheap populism. The workers, as a social segment, continue to exist and—even if they are not and cannot be the avant garde of society—they still represent a factor which should be taken into account in the Romanian transition."

ROMANIA LIBERA reads: "Therefore, prices will increase (...) and wage-earners will receive—conditionally—only a half of the increased sum. As one can see, the government does everything to make us poorer and poorer."

LIBERTATEA underscores: "Unemployment and the rise of prices will amplify social tension, and the elections will be powerfully influenced. The question is: Which is the population's endurance level, up to which austerity measures can be taken."

1 May, the international day of labour, is marked by daily CURIERUL NATIONAL under the headline "Without a Rally," noting: "Today things have changed a bit: We no longer participate in a rally, we no longer tell jokes, hot-dogs and beer are everywhere but we can no longer afford to buy them; therefore, the only joy left to us is to play truant from the office—this time for three days."

DIMINEATA marks the same event by an editorial headlined "Labour Eulogy" which underscores: "And so happened that the first day of May was changed into a holiday by man.... To enjoy the fruit of his labour—when he has them—to think of things—of unpleasant things this time—and of what could be the fruit of his labour provided he has where to exercise his faculty of working." [passage omitted]

Campeanu Calls for Referendum on Monarchy

AU0205172592 Bucharest ROMPRES in English 1837 GMT 2 May 92

[Text] Bucharest ROMPRES, 2/5/1992—Braila, Ialomita, Galati, Constanta, Tulcea, Vaslui, Vrancea, Bacau, Iasi and Buzau branches of the National Liberal Party (PNL) held Saturday, May 2, a meeting at Galati.

In his address on the occasion, PNL Chairman Radu Campeanu referred to last week's visit of ex-King Mihai to Romania, which, he said, was made at the invitation of the Church, of Archbishop Pimen of Suceava, and was religious and private in character. Mr. Campeanu said that "the liberals ensured part of the facilities supposed by the visit." The PNL chairman added that he had told the ex-king that, in his opinion, a referendum should be held to establish whether Romania is going to be a monarchy or a republic. He also informed ex-King Mihai that the National Liberal Party had quitted the Democratic Convention and that the ruling National Salvation Front was crossing a crisis.

During the second half of the meeting, issues were tackled regarding the PNL strategy in this year's elections.

Campeanu, Szocs Discuss Electoral Alliances

AU0105131992 Bucharest DIMINEATA in Romanian 18-19 Apr 92 pp 1, 5

[Interview with Radu Campeanu, president of the National Liberal Party, and Senator Geza Szocs, vice president of the Democratic Union of Hungarians in Romania, by D. Calimanescu; place and date not given: "National Convention for the Establishment of Democracy After the 'Summit' Meeting"]

[Text] **Radu Campeanu: "I Will Not Associate With Mr. Roman But With Mr. Stolojan"**

On Wednesday, 15 April, the parties that make up the National Convention for the Establishment of Democracy [CNID] held a "summit" meeting at the headquarters of the Social Democratic Party of Romania [PSDR]. I met with Mr. Radu Campeanu the next day in the Senate. He was kind enough to give a few of the impressions of his party's leadership about the 3-hour-long talks.

[Campeanu] We suggested that we should set up an inner committee within the CNID that should discuss the differences among the views of the representatives of our parties: the National Liberal Party [PNL], the National Peasant Christian Democratic Party [PNTCD], and the PSDR (maybe the Party of Civic Alliance). We were asked what is the use of such a committee, if we do not agree on an issue of principle; namely, running in the elections on joint lists with the Hungarians. We told them clearly that we want to dissociate ourselves from the Democratic Union of Hungarians in Romania [UDMR] in the electoral campaign, because we do not want to run in the elections on joint lists with the UDMR. We do not have anything against the Hungarians. On the contrary, we are all for the recognition of the rights of all ethnic minorities, including the Hungarian minority, but we believe that we should not run with them on joint lists. This is one issue. A second issue is the habit of running, without exception, solely on individual lists. We believe that this issue should be discussed separately in every case and that the county organizations should also have their say on this matter, in accordance with the local realities. I would say that there was a kind of totalitarism in effect on this issue; that is, to run on individual lists throughout the country.

[Calimanescu] Mr. Campeanu, do you think that the criticism—sometimes very fierce—of you and of the PNL leadership (expressed by ROMANIA LIBERA, DREPTATEA, and other newspapers) was based on something else, not just disagreements on electoral issues?

[Campeanu] Your question is very interesting. Evidently we are dealing with slander here, because they do not have the value of criticism and they are no longer an expression of political struggle. It is clear that they do not spring from a confrontation of ideas. If they were based on political ideas, they would be clearer, more serious, more objective, and more thorough, and not an expression of passion. I leave you to clarify this "something else."

[Calimanescu] Mr. President, the press has also implied that a Campeanu-Iliescu compromise is possible. What can you tell us about it?

[Campeanu] This is an outrageous lie that has been circulated for quite a while, mainly in the columns of the ROMANIA LIBERA newspaper and that, I want to repeat it, is an outrageous lie. However, this forces me to question the objectivity of those who circulate this issue: Why haven't more disguised and more secret connections—that really have taken place and that are real—ever been mentioned?

[Calimanescu] If the alliance of "historical parties" is established, it will be open to other political forces as well. However, some of them will not be admitted into this alliance. Which are these parties?

[Campeanu] There are a few of them. The Socialist Party of Labor, on the left, and the Romania Mare Party of the right.

[Calimanescu] And what about the National Salvation Front, with which you will have to associate in the act of governing the country?

[Campeanu] I do not see where the Front figures in this issue. I will not associate with Mr. Roman in the act of governing, but with Mr. Stolojan.

[Calimanescu] And what about the other "wing"?

[Campeanu] It is still in the process of being established. I can see what is happening in the parliament. It is a political group in the process of being established and it is constantly growing, with each passing day. There are all kind of declarations made by senators and deputies who are dissociating themselves from the FSN and are joining the FSN-22 December. This is a phenomenon that I noticed a week ago and that this is also happening

throughout the country. I believe that we are witnessing a clarification that has been necessary.

Geza Szocs: "The PNL Can Be Replaced by the PL"

[Szocs] We are waiting for the opinion of the Democratic Convention, which is the opinion of the majority in the convention. We are expecting an almost unanimous opinion that the UDMR should participate in this structure that is called the Democratic Convention. It was only the PNL that supported the idea that it accepted participation in the CNID, but would not run on joint lists for the elections. The PNL leaders believe that it was the Democratic Convention's political mistake that it accepted close cooperation with the UDMR.

As far as the PNL's insistent demands that the UDMR should dissociate itself from the content of certain declarations made by the leaders of our organization, however, I believe that what we are talking about here is rather a certain pretext, which is not even convincing. We have felt that the general atmosphere was one of willingness to discuss the current problems again and to find solutions to those problems.

[Calimanescu] In other words, do you believe that there are no issues of principle that separate you from the PNL?

[Szocs] No, there are no issues of principle. We are separated only by issues tactical in nature, certain calculations, certain votes that could be won or could be received. No, we are not talking about principles.

[Calimanescu] Are you optimistic about the future of the CNID, especially its possibility of participating, within a cartel, in the general elections?

[Szocs] Yes, I am absolutely convinced of such a possibility. This Democratic Convention will have a chance, maybe the greatest chance, in elections even if it runs without the PNL. As far as I am concerned, I would suggest that all participants in this structure start negotiations with the Liberal Party [PL] (young wing).

FSN Holds News Conference on Election Date

AU0105183292 Bucharest ROMPRES in English 1535 GMT 1 May 92

[Text] Bucharest ROMPRES, 1/05/1992—The date of the legislative elections and the stand of the National Salvation Front [FSN] on the visit of Romania's former King Michael I were the main subjects of the meeting with the press organized in Bucharest on April 30 by the FSN. Reasserting the FSN's option that legislative elections take place at the end of June, surprise was expressed during the meeting at the hesitations and tendencies to delay the elections, manifested in the Deputies' Assembly by certain political formations.

Asked to specify the stand of the FSN's leadership on the visit to Romania paid by ex-King Michael, Bogdan Niculescu Duvaz emphasized: "The visit has a political significance, but it has no connection with the option for monarchy. It is mainly the result of a wish for change and stability, which is more and more manifest in Romania."

State Secretary Discusses Chances for G-24 Aid

AU0105133692 Bucharest CURIERUL NATIONAL in Romanian 24 Apr 92 pp 1, 2

[Interview with State Secretary Misu Negritoiu, president of the Romanian Development Agency, by Mircea Caster; place and date not given: "A Holiday Gift From the G-24?"]

[Text] [Caster] I know that at the meeting of the high-ranking officials of the G-24 countries, that was held in Brussels, it was your mission to increase the repayable aid for stabilizing the national economy and supporting the balance of payments. In other words, exactly the amount of money that our economy lacks at this point. What did you achieve?

[Negritoiu] At the G-24 meeting, I lodged our application for nonrepayable technical aid for the transformation-development process and for repayable aid to support the balance of payments. More than $200 million in nonrepayable aid has been allocated for Romania, of which $150 million is from the countries belonging to the Common Market, while the remainder is to come from direct bilateral programs. Negotiations for such aid, which is continuously increasing and may amount to $250 million by the end of this year, are held constantly.

[Caster] What about repayable aid?

[Negritoiu] Before I continue, let me clarify something. The aim of such meetings is not making certain decisions. They are held so that donating countries and receiving countries may exchange information. Then each of them returns home and things take concrete shape during later bilateral contacts. The G-24 is a coordinating forum, not a decision-making one.

[Caster] In this case, what were our country's requests and how were they received?

[Negritoiu] Our request for additional repayable financial aid is higher than the gap between resources and returns and the hard currency needs established together with IMF specialists. Now we have also included a reserve into our calculation in view of the factor of uncertainty in connection with certain "returns." I am talking about $400 million.

[Caster] You said "additional." Compared with what?

[Negritoiu] First compared with the $1 billion in aid requested for 1991 from the Group of 24 that we have not completely received because the process is continuing.... For the time being, approximately $750 million have been pledged.

[Caster] Are there any chances for this new sum of money to be received this year? Don't you think that the same thing may happen like with... the billion last year?

[Negritoiu] There are chances. We have requested this. This amount has been included in the calculation of the balance of payments for this year and our application has been lodged officially. I also held a separate meeting with the U.S. delegate, who promised that they, too, would contribute to this new loan. The contribution by the United States, irrespective of the amount, is very important, because it is a "signal" to the other countries. The United States holds a leading position....

[Caster] Is this reaction a positive "sign"?

[Negritoiu] Absolutely! The situation is incomparably better than in 1991, when the United States did not react in any way.

[Caster] In Brussels, did you draw attention to our economic difficulties linked to the delay in the aid that was approved so far?

[Negritoiu] Of course, I did. I expressed appreciation for the aid granted so far, but I also warned the participants in the meeting that we had counted on this aid and included it in our calculations, and that a postponement of two to three months could have a disastrous effect on an economy in transition.

[Caster] Returning to what you told me before: In your view, what are the reasons for this change in attitude of the United States?

[Negritoiu] In fact, not only theirs.... At that very meeting, the participants expressed appreciation for the progress made in the reform process in our country and in the democratization of political life.

[Caster] Can you provide any details?

[Negritoiu] Yes.... This includes all the measures linked to the price liberalization, the introduction of domestic convertibility, the reorganization of the banking system, the beginning of privatization, the opening toward foreign investments, and the liberalization of foreign trade....

[Caster] Were there discussions about any other kind of aid?

[Negritoiu] Implicitly, so to say.... First increasing the access of products from countries going through a transition process to the markets of the developed countries. These countries would be able to adjust their balance of payments through increased returns.

[Caster] How?

[Negritoiu] By freezing protectionist measures and by eliminating tariff and non tariff quotas and restrictions. Certainly, each country is to take its own measures. But we were not asked for reciprocity....

[Caster] Were there any other... "constraints?"

[Negritoiu] No. They only make recommendations since they have more experience in the market economy. They also want to help us, not simply make us their debtor. It is normal to want to recover one's money. That is why they make recommendations. They are not conditions! The continuation of the economic reform and democratization process is maybe the only recommendation that may also be viewed as a condition....

[Caster] Any conclusions?

[Negritoiu] This is the third meeting of this kind in which I have participated and for the first time I felt—without any reservations—treated as a serious partner on an equal footing with the others. However, we have reservations about the repayable aid. Maybe there is some risk involved; maybe we will not receive as much as we have requested.

Accord With IMF 'Yielded No Results'

AU0405094292 Bucharest DIMINEATA in Romanian 23 Apr 92 pp 1, 5

[Interview with Stelian Marin, vice president of the Romanian Trade Bank, by Constantin Radut; place and date not given: "The First Stand-By Accord With the IMF Yielded No Results. Will the Same Thing Happen With the Second One?!"]

[Text] [Radut] Are you familiar with the draft of the new economic program worked out on the basis of the second Stand-By Accord with the IMF?

[Marin] Yes, I know its provisions and I held discussions on this subject. I would like to make a few observations in this respect. First of all, the interest rates. Their level is envisaged to be around 60-80 percent. I said I was in favor of a really positive interest rate, which also includes the inflation rate and a ratio of capitalization on moneys lent, so as to protect the capital, encourage savings, stimulate trust in the national currency, and promote future investments. However, as I told the prime minister, we have to take several things into consideration. First, companies with state-owned capital can ensure only 10-15 percent of their financial needs from their own monetary funds, with the rest of the financial resources for current activities being ensured through credits. Therefore, one usually ensures permanent financing through credits and most companies will undoubtedly continue to resort to credits, particularly since there is no state-owned trade company in the Romanian economy with sufficient capitalization and a surplus of cash to make it free of the need to resort to credits. Moreover, many industrial products require long manufacturing spans, while agriculture, through its specific activity, needs credits for periods of at least one year. Therefore, high interests rates represent an ultrainflationist element, which affects the productive activity, exports, and undoubtedly investments. Therefore, if the Romanian products are achieved from financial

resources where high-interest credits play such a great part, they become uncompetitive on the international market, where they compete with products from other countries, where credits play a lesser role and are cheaper. Third, export products are sold by producers having to repay long or medium-term credits—in the case of machines and equipment the credits were obtained for periods of 4, 5, or 6 years. However, if the Romanian producer pays 60-80 percent interest on his credits until the hard currency revenues from the sale of the product are received—while interest rates on the international market amount to only 7 percent—we wonder how he will recover the difference, because there are no facilities for subsidizing the difference between the level of the domestic and foreign interest rates.

[Radut] Another measure envisaged by the National Bank refers to the rate of the national currency. Will we have to expect a new leu devaluation?

[Marin] Indeed, a free exchange rate of the leu on the currency market is in the offing. However, I ask, what currency market? Its existence depends on the existence of currency. Or, as is well known, there is much shortage of currency here, hence there is no way to regulate the ratio between offer and demand. On the other hand, nowhere in the world is the exchange rate left free. As a matter of fact, the IMF statute defines convertibility as the free exchange of a national currency into any other currency at a well determined rate. In the last few days, I had a discussion with French specialists whom I asked whether there is any financial authority in France which can increase or decrease the value of the French franc. There is no such thing. On the contrary, governmental or financial authorities in France are obliged to support the exchange rate of the national currency within a limit of plus or minus 2.5 percent. As far as we are concerned, since we have no hard currency to support the national currency's rate, it will depreciate very much, something which will also increase inflation. Some people think that an impetus can be given to exports through the devaluation of the leu. This is totally false. If the dollar reaches 1,000 lei tomorrow, this rate will no longer be valid a few days later, as the experience of the latest 2 years shows. Therefore, one cannot increase economic efficiency through the depreciation of the national currency. As a matter of fact, this truth is proved by history: The countries that depreciated the national currency had the highest foreign imbalances, while the countries that enhanced the value of their national currencies had the highest surpluses.

[Radut] You are right. On the other hand, I think that the National Bank or the government are also right. Our hands are tied right now, due to a shortage of currency resources. On the other hand, the provisions of the Stand-By Accord for 1991 did not yield the expected results.

[Marin] The first Stand-By Accord signed with the IMF after the revolution yielded no results. Neither will the second agreement yield any results.

[Radut] What shall we do then?

[Marin] We will attend to that matter at the end of the year. However, I would like to point out that, whenever the economy begins to stabilize to a certain extent, we tend to submit it to negative shocks that upset it further. The Romanian economy is sick and in need of treatment.

[Radut] How can it be treated if there is no money?

[Marin] One can always find money. The measure taken last November to nationalize the foreign currency owned by the economic units turned out to be a negative one. As a matter of fact, through the new Stand-By Accord, we go back to the previous currency regulations, whereby the entire hard currency stays with the commodity producers and the suppliers of international services, while the surplus can be sold on the currency market.

In conclusion, I would like to come back to the issue of the truly positive interest rate and point out that such interest rates are not practiced in any developing country in the world. Hungary is the only country of the former socialist states that has such a practice.

Treaty With Hungary 80 Percent Complete

LD0305004692 Budapest Kossuth Radio Network in Hungarian 1600 GMT 30 Apr 92

[Text] The Hungarian-Romanian Treaty is 80 percent complete, but the remaining problems are very serious. Tibor Bogdan reports:

[Bogdan] The present borders are inviolable, and Hungary has no territorial demands whatsoever against Romania. These two tenets must be formulated clearly and unambiguously by the Hungarian-Romanian Treaty whose preparation is under way.

Theodor Melescanu, at his regular weekly press briefing, has expounded in a rather detailed fashion the necessity of these tenets from the Romanian side's point of view. For, the two countries' current relationship is significantly burdened by psychological obstacles whose overcoming—in Bucharest's view—would be considerably assisted by the settlement of the above issues. The Romanian diplomat said that the text of the document is 80 percent complete—it is only these two issues in which the two expert committees must still come to agreement.

In Melescanu's judgment, an extraordinarily large number of negative elements has accumulated in Romanian-Hungarian relations. This hinders the Romanian side in judging, in every case, the situation in a calm and objective manner.

Izetbegovic's Plane Redirected To Rome

AU0205153692 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1400 GMT 2 May 92

[Interview with Vehbija Karic, commander of the Territorial Defense of Bosnia-Hercegovina, by Sarajevo Radio reporter whose name is indistinct, in the building of the Presidency of Sarajevo on 2 May—recorded]

[Excerpt] [Passage omitted] [Karic] The citizens of Sarajevo are aware that this is an aggression of the most impudent type. They are defending the town with love, courage, and enthusiasm. The cases that we witnessed in the last few hours in the streets of Sarajevo are most astonishing cases of courage. This is how the residents of Sarajevo and other citizens throughout Bosnia-Hercegovina, who have finally realized who the aggressor in this crazy war is, should behave.

[Reporter] [words indistinct] one more piece of information that I believe I am repeating, since it was announced by my colleague in the (?newsroom) of the First Program of Sarajevo Radio, namely that Alija Izetbegovic, who set off from Lisbon by plane, has landed in Rome. He is waiting for better circumstances to return to Bosnia-Hercegovina. I will inform you about other events from here in the Presidency building later, considering that Ganic, who is substituting for Izetbegovic, [words indistinct] and considering that Fikret Abdic, member of the Presidency of Bosnia-Hercegovina, is expected to return. [words indistinct].

Detained on Arrival

LD0205204992 Belgrade TANJUG in English 2017 GMT 2 May 92

[Text] Sarajevo, May 2 (TANJUG)—Bosnia-Herzegovina Presidency President Alija Izetbegovic was not arrested but detained in a Sarajevo barracks "for his own safety", commander of the Sarajevo Corps Gen Djurdjevac said over the local radio. By 2000, the Yugoslav People's Army (JNA) sources have not officially confirmed Radio Sarajevo's information that Izetbegovic was detained in the Barracks Lukavica.

Radio Sarajevo reported that Izetbegovic was detained after landing at Sarajevo airport, upon his return from the peace conference on Bosnia-Hercegovina in Lisbon. In the conversation the radio broadcast live, Izetbegovic requested of his Vice President Ejub Ganic to order a cessation of attacks on military compounds in Sarajevo. The attacks were launched by the Moslem-Croatian territorial defence loyal to the republican presidency.

Izetbegovic explained that the JNA only requests the opportunity to evacuate the center of the city and the local command headquarters which are surrounded.

In response to Izetbegovic's question whether the territorial defence would let the officers and troops leave the command headquarters and the heart of Sarajevo, Ganic said they could do that by the road leading to the Lukovica Barracks. Fighting continues in Sarajevo and the JNA local command is surrounded. Meanwhile, negotiations between the JNA and the authorities in Sarajevo are under way.

U.S. Ambassador Talks to Izetbegovic

LD0205234692 Zagreb Radio Croatia Network in Serbo-Croatian 2300 GMT 2 May 92

[Excerpts] There are no fresh reports from Sarajevo except that the fighting is still raging throughout the town despite a cease-fire agreement signed last night [2 May] by the army of occupation and the Territorial Defense of Bosnia-Hercegovina. [passage omitted]

An EC official who mediated in the negotiations on the cessation of hostilities has said that the army of occupation has not responded to his suggestion that President Alija Izetbegovic of the Bosnia-Hercegovina Presidency should be released. He was abducted by the army of occupation at Sarajevo airport.

According to some Sarajevo TV reports, in the course of yesterday's battles in Sarajevo four defenders of this city died. Over 60 Arkan [Serbian paramilitary commander] men, White Eagles [irregulars controlled by Serbian Radical Party leader Vojislav Seselj], and members of the army of occupation also died. [passage omitted]

Stari Grad is still being pounded, and a number of buildings are in flames. President Alija Izetbegovic of the Bosnia-Hercegovina Presidency, who is being held hostage by the army of occupation in the Lukavica Barracks, has talked to U.S. Ambassador Warren Zimmerman. [passage omitted]

The negotiations between representatives of the army of occupation, which wants to retrieve its dead and wounded, and the Territorial Defense of Bosnia-Hercegovina, whose members have already ceased their fire, are being intermittently relayed by Sarajevo TV and satellite TV. [passage omitted]

Release Negotiations Underway

[Editorial Report] Sarajevo Radio Sarajevo Network in Serbo-Croatian at 1840 GMT on 2 May continues its live telephone link-up with Alija Izetbegovic in the Lukavica barracks. Jerko Doko, defense minister of Bosnia-Hercegovina, and Fikret Abdic, member of the Bosnia-Hercegovina Presidency, are also in the studio.

The announcer in the studio talks to General Djurdjevac, commander of the Sarajevo corps, who says that Izetbegovic is in the Lukavica barracks because this is the safest place for him. He says that the Army is being attacked from Hum and Dobrinja. He says that the Army has the following demands: that all attacks against them stop; that they be allowed to remove the dead and wounded from Army premises; and that Army personnel be allowed to withdraw to Lukavica from Sarajevo.

After Djurdjevac, the studio announcer then talks to Izetbegovic, who says that he has the impression that a third side is shooting, but he does not know who it is. He says that Lukavica is being fired at from all directions. He then says that he thinks that it is the forces of the Serbian Democratic Party that are shooting.

Ejup Ganic appeals in English to the UN Protection Forces to provide a bullet-proof vehicle and several men to provide safe passage for Izetbegovic from Lukavica to the Presidency building in Sarajevo. Izetbegovic, Ganic, and Stjepan Kljujic continue their conversation over the phone, with Izetbegovic demanding that the gunfire stop as a prerequisite for his release. The studio announcer wonders if the Army will actually do this. Djurdjevac, who is with Izetbegovic, can then be heard issuing the order for the Army to stop firing.

In reply to a question from the studio announcer as to whether Izetbegovic can go to the radio and television studio, Djurdjevac says that this is not possible because it is not "safe" there. Asked by the studio announcer whether he guarantees Izetbegovic's safety, Djurdjevac says "100 percent."

At 1903 GMT, Vehbija Karic, officer in the Territorial Defense of Bosnia-Hercegovina, is heard ordering Territorial Defense units to stop all fire until 1930 GMT, until Izetbegovic has been safely brought to Sarajevo. At 1905 GMT, Colonel Gagovic, who is with Izetbegovic and Djurdjevac, demands that the Bosnian Territorial Defense enable the Army to collect all the dead and wounded and guarantee safe passage to General Kukanjac, commander of the Second Army District, out of the building of the Command of the Second Army District in Sarajevo, before Izetbegovic is released.

The participants in the conversation then discuss the technicalities involved in providing safe passage for Izetbegovic and General Kukanjac. At 1911 GMT, Izetbegovic authorizes Ejup Ganic to act on his behalf until he reaches the Presidency building.

EC's Doyle Mediates

[Editorial Report] Sarajevo Radio Sarajevo Network in Serbo-Croatian at 1920 GMT on 2 May continues its live telephone link-up with Alija Izetbegovic in the Lukavica barracks. Ejup Ganic again appeals in English to the EC's Colm Doyle or any EC official to get in contact with Sarajevo radio. At 1922 GMT, the studio announcer tries to speak to Izetbegovic, but the telephone line seems to be down. Sarajevo Radio then tries to establish contact with the Command of the Second Army District. At 1925 GMT, Colm Doyle, Lord Carrington's special envoy in Sarajevo, comes on the line and talks with Ejup Ganic in English, who explains what happened to Izetbegovic. Ganic outlines their proposal that Izetbegovic be taken to Nambiar's office, then they will take Kukanjac there, and then they will let the Army personnel go to Lukavica.

Doyle says that the EC mission has offered to help. He demands that the cease-fire be put into effect at once and says he is disappointed that there seems to be a considerable amount of discussion on who started the fighting when citizens are still being killed. He says that he is willing to help and get into contact with the United Nations regarding transporting Izetbegovic, but before that he categorically demands that the firing stop immediately.

At 1935 GMT, Doyle says he can still hear firing and that the shooting must stop in all areas of Sarajevo. He says he is not prepared to be used as a guinea pig by any one side and this is not the time for any side to be scoring points over the other.

At 1936 GMT, an official from the Ministry of Internal Affairs of Bosnia-Hercegovina comes on the line and says that the Ministry of Internal Affairs forces have stopped shooting, but forces of the Serbian Democratic Party have continued their activities. He calls on the Army to order these forces to stop shooting.

At 1937 GMT, Zoran Milanovic from the office of Internal Affiars Minister Alija Delimustafic comes on the line and says: "The White Eagles are leaving Vrace and entering the town at Grbavica. We are asking citizens to be prepared to shoot so as not to allow a massacre, to shoot at the White Eagles." He says that a shell has fallen "near" Minister Delimustafic and it is thought that he has been slightly injured.

At 1938 GMT, Doyle says that he will try to contact the Second Military District at the highest level. The studio announcer then asks Ganic to coordinate his activities with Doyle since Sarajevo Radio is ending the broadcast. Ganic says that the only way he can talk to Doyle is via the television's line.

At 1943 GMT, the live conversation between the Army, Bosnian Presidency members, and the EC's Doyle ends, and the station begins playing music.

Izetbegovic Discusses Detention

[Editorial Report] Sarajevo Radio Sarajevo Network in Serbo-Croatian at 2020 GMT on 2 May interrupts its music program with another telephone conversation between Bosnian President Izetbegovic, the Sarajevo radio announcer, and Ejup Ganic, member of the Bosnia-Hercegovina Presidency. The studio announcer says that despite the agreement, there are reports about continued fighting and that it is possible that Serbian irregulars who are under no one's control are shooting indiscriminately.

Izetbegovic asks Ganic if the Territorial Defense has stopped opening fire as previously agreed and Ganic assures him that the order has been issued and carried out.

Asked by the studio announcer if he has been treated "correctly," Izetbegovic says: "Yes, quite correctly; I do

not have any objections, except of course that I am not here of my own free will." Asked to explain how he came to be detained by the Army when he arrived at Sarajevo airport, Izetbegovic says: "When we were up in the air, we were told that we could not land at the airport, and we were of two minds whether to go to another town or to Belgrade. Then the news came from Sarajevo that we could land at our own risk. I agreed to this, and we landed at the airport at our own risk. After that, we were met by soldiers, and they took us to an area to wait for someone to pick us up. After about an hour, Colonel Magacin came and told us that on the orders of General Kukanjac he was to take me here to Lukovica."

Izetbegovic is then informed about the conversation between Presidency member Ganic and the EC's Doyle on the arrangements for the cease-fire, and then he is given the number of the United States ambassador in Belgrade who, according to the studio announcer, wants Izetbegovic to phone him. At 2039 GMT, Sarajevo Radio ends the live conversation and starts carrying music again.

Izetbegovic Reportedly Returns to Presidency

AU0305183792 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1819 GMT 3 May 92

[Excerpt] We now have on the line our reporter Dzevad Tuzlic, who is in the international press center in the building of the Presidency of Bosnia-Hercegovina.

[Tuzlic] Well, I am reporting to the listeners of Sarajevo Radio from a calmer atmosphere that is felt here in the press center because everything that is happening regarding state activities of the Republic of Bosnia-Hercegovina has a strong influence on the atmosphere in the press center. The press center is in a way a picture of what is going on in Bosnia-Hercegovina.

I would not want to comment on whether this lull could mean a lull before a storm, as people say, but in any case tensions here have diminished with the arrival of Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Hercegovina, in the building of the Presidency, in his office. This has led to a relaxation of the sitation, if I may say so, because much drama was felt in the last 24 hours since Mr. Izetbegovic landed at Sarajevo airport when he was arrested and taken to the barracks in Lukavica. [passage omitted]

Izetbegovic Released; JNA Convoy Surrounded

AU0305191792 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1900 GMT 3 May 92

[Text] A good part of the drama concerning the detention of Alija Izetbegovic, president of the Presidency of Bosnia-Hercegovina, in the Lukavica barracks, and the blockade of the Command of the Second Military District in Sarajevo ended this evening. After the agreement was reached between Izetbegovic and Colonel General Milutin Kukanjac, the president of the Presidency of Bosnia-Hercegovina arrived in the Presidency building. The officers, soldiers, and civilians who were in the building of the Command of the Second Military District have set off toward the Lukavica barracks.

As EC special envoy Colm Doyle told the Sarajevo Television newscast, 11 trucks arrived in Lukavica. Nine have been taken by as yet unknown persons. According to a statement by General Kukanjac, the other side violated the agreement. Nine trucks are surrounded in Dobrovoljacka Street. There are some dead and wounded soldiers, General Kukanjac said.

[Belgrade TANJUG Domestic Service in Serbo-Croatian at 1916 GMT on 3 May carries the following message to editorial boards:

"Sarajevo—We have just received the latest report about the evacuation of an army column from the building of the Second Military District Command in Sarajevo. General Kukanjac said on Sarajevo TV that a part of the column had reached Lukavica but that 25 trucks had been stopped at Skenderija. According to him, something horrific happened there."]

Izetbegovic To Meet JNA Commander 4 May

LD0405045192 Sarajevo Radio Sarajevo Network in Serbo-Croatian 0400 GMT 4 May 92

[Text] The mindless war in Bosnia-Hercegovina is continuing. According to our reports, Sarajevo has been fiercely pounded by artillery throughout the night. The explosions have died out but, according to unconfirmed reports, explosions were heard again at about 0500 from the Vogosca area in Sarajevo.

Following yesterday's dramatic events taking place at the Second Military District Command, a meeting will be held today in the UNPROFOR [UN Protection Force] building between Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, and General Milutin Kukanjac and representatives of the Territorial Defense of Bosnia- Hercegovina. The talks should deal with restoring peace and the Army's future status in Bosnia-Hercegovina.

Presidency's Ganic on Izetbegovic's Release

LD0305154292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 3 May 92

[Text] Sarajevo, 3 May (TANJUG)—President of the Bosnia- Hercegovina Presidency Alija Izetbegovic has not yet been released. This was stated at a press conference in the Bosnia-Hercegovina Presidency's press center today by member of the Bosnia-Hercegovina Presidency Ejup Ganic. Ejup Ganic, as he himself said, today attended negotiations regarding the release of the president, which were also attended by UN Protection Force representative General McKenzie, EC representative Colm Doyle, and Yugoslav People's Army representative General Aksentijevic.

An agreement was reached to release President Izetbegovic, but Ganic did not wish to reveal details of the agreement. The release should have started around 1200, but it has obviously been delayed.

Ganic, as he himself said, called on General McKenzie and Doyle to contact the Presidency to see whether there are some difficulties regarding the release of Izetbegovic. Following talks in the Presidency, General McKenzie and Colm Doyle went to see the president, Ganic said. Therefore, Ganic said, if some problems have arisen, Ganic is calling on them to contact the Presidency in order to analyze the new situation. Asked whether the release of Izetbegovic should be done under previous conditions—these are, a cease-fire and the evacuation of casualties—Ganic said some other conditions are at work, about which he does not wish to speak.

Kukanjac, Izetbegovic Talks Postponed

LD0305140892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1307 GMT 3 May 92

[Text] Sarajevo, 3 May (TANJUG)—Commander of the Second Military District, Colonel General Milutin Kukanjac, is preparing to leave the surrounded command building in the center of Sarajevo for talks with the president of the rump Bosnia-Hercegovina Presidency, Alija Izetbegovic, who is still in the Lukavica Barracks in Sarajevo.

Izetbegovic and Gen. Kukanjac are expected to meet—with the mediation of the UN forces—in the building of the command of these forces. "We must negotiate with Izetbegovic in order to resolve this situation, regardless of all risks we are exposed to," Gen. Kukanjac told TANJUG's reporter inside the command building.

The head of the information service of the Second Military District, Col. Komnen Zarkovic, said shortly before 1500 [1300 GMT] that talks were under way at the moment to establish the route which General Kukanjac will follow when he leaves for talks with Izetbegovic. Col. Zarkovic said that once Gen. Kukanjac left the command building, Swedish officer Tomas Jarnehed, member of the UN Protection Force [UNPROFOR], would remain inside, together with the head of UNPROFOR police forces. UNPROFOR officers will remain inside the building for the duration of the talks to guarantee that the building is not attacked, Col. Zarkovic said.

According to Zarkovic, Green Berets—and there are already 300-400 of them—are again concentrating around the building. They are carrying megaphones and there are assumptions that a fresh attack may take place and that officers and soldiers inside the command building may be called to surrender.

The bodies of two Yugoslav People's Army [JNA] members and about 12 injured are inside the command building. There is neither electricity nor water and telephone lines are down. Apart from officers and soldiers, three journalists and about 15 civilians in the service of the JNA are inside. Col. Zarkovic categorically denied today's news, broadcast on Sarajevo Radio, that the evacuation of the command had started. Talks about it are under way, he said.

[In a related report, Belgrade TANJUG Domestic Service in Serbo-Croatian at 1319 GMT on 3 May reports the following: "Col. Komnen Zarkovic, head of the information service of the Second Military District, told TANJUG's reporter shortly after 1500 [1300 GMT] that commander of the Second Military District, Col. Gen. Milutin Kukanjac, would not leave for talks with Alija Izetbegovic, the president of the rump Bosnia-Hercegovina Presidency. Col. Zarkovic said that the Presidency Vice President Ejup Ganic, "undermined the agreement on lifting the blockade of the command building." UN Protection Force officers left the building, he claimed, and went for new talks with the rump Presidency.

"Other details linked with the resumption of talks and the postponement of the General Kukanjac-Izetbegovic meeting have not been released. Strong forces of the Territorial Defense, loyal to the rump Presidency, are still concentrated around the building."]

Kukanjac Demands Prisoner Exchange

AU0405092892 Sarajevo Radio Sarajevo Network in Serbo-Croatian 0900 GMT 4 May 92

[Text] After last night's dramatic events in Sarajevo concerning the relocation of the Command of the Second Military District, Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, General Milutin Kukanjac [commander of the Second Military District], and representatives of the Territorial Defense of Bosnia-Hercegovina are to meet in the UNPROFOR building today.

As announced, the subject of the talks should be the establishment of peace and the future status of the Army in Bosnia- Hercegovina. At the moment it is unclear when the talks will (?start) because General Kukanjac is demanding that an exchange of prisoners should be carried out beforehand, as a condition for holding these negotiations.

Iranian Envoy Condemns Izetbegovic Detainment

LD0305082092 Tehran IRNA in English 0543 GMT 2 May 92

[Text] Belgrade, May 3, IRNA—Iranian Embassy here Sunday morning strongly condemned detainment of Bosnian President Alija Izetbegovic by Federal Army of the former Yugoslavia and demanded his immediate release. Iranian ambassador to Belgrade Nasrollah Kamyab also told IRNA here that "the irresponsible move" would further complicate the crisis in Bosnia-Hercegovina (B-H) and would be fruitless.

"We hope that President Izetbegovic will be freed immediately," Kamyab said. Izetbegovic, his daughter and some other personalities of the republic of B-H were detained at 19:00 hours local time Saturday by Army immediately after the arrival of their plane at Sarajevo airport which is being controlled by the Army. They were transferred to an army barrack in Lukavica near Sarajevo.

Army which is controlled by Serbia has treated Izetbegovic as a hostage and has made several conditions for his release. All these conditions have been accepted by B-H authorities.

"Since the outbreak of the crisis in B-H, Iran has been of the opinion that it should be settled through negotiations, without resorting to force and in a way that satisfies all nationalities in the republic," Kamyab said.

44 percent of B-H population are Muslims, 31 percent are Serbs and 17 percent are Croats. The ambassador said that Iran as a Muslim country cannot naturally be indifferent towards the affairs of Muslims. He added that this kind of events would negatively affect relations with Iran.

Envoy Says All Three Sides Violating Cease-Fire

LD0105185592 Belgrade TANJUG in English 1646 GMT 1 May 92

[Text] Sarajevo, May 1 (TANJUG)—The ceasefire agreement in the former Yugoslav republic of Bosnia-Hercegovina is being violated by all three sides, as the European Community envoy, Colm Doyle, told the radio station of the Serb Republic of Bosnia-Hercegovina. Doyle recalled that the precondition for the continuation of the conference on Bosnia-Hercegovina was full respect of the ceasefire agreement, which has not been the case.

Doyle discussed the respect of the ceasefire with officials of the government of the Serb Republic of Bosnia-Hercegovina in Pale, near Sarajevo, on Friday. The prime minister of the Serb Republic of Bosnia-Hercegovina, Branko Djeric, informed Doyle about the activities of the Serbian Government for the preservation of peace on the territory of the Serb republic. During his meeting with Doyle, Djeric presented numerous proof about crimes against Serbs living in territories controlled by Moslem para-military formations.

Serbs in Bosnia-Hercegovina believe that the crisis can be solved only through "territorial demarcation and the defining of the Bosnian-Hercegovinian area where the three nations—Serbs, Moslems and Croats—will function legally and politically," as the information minister of the Serb Republic of Bosnia-Hercegovina, Velibor Ostojic, told a news conference on Friday.

Cengic Appeals to U.S. To Stop Bloodshed

LD0205195992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1816 GMT 2 May 92

[Text] Ankara, 2 May (TANJUG)—The vice president of the Bosnia-Hercegovina government, Muhamed Cengic, who is staying in Istanbul, requested immediate help from Turkey, and called on the United States to stop the bloodshed in Bosnia-Hercegovina. Vice President Cengic held a press conference in Istanbul today, at which he informed Turkish journalists about the situation in Bosnia- Hercegovina, stressing that that republic was threatened by bloodshed. As Turkish television reported this evening, he estimated the situation as disasterous because routes in Bosnia-Hercegovina are blocked and the people do not have enough food.

Request Detailed

LD0405030192 Zagreb Radio Croatia Network in Serbo-Croatian 0200 GMT 4 May 92

[Text] The Ministry for Foreign Affairs of the Republic of Croatia announced that last night at about 2230 it established contact via amateur radio operators with the Bosnia-Hercegovina Presidency in Sarajevo.

The ministry's official on duty talked to Stjepan Kljuic, member of the Bosnia-Hercegovina Presidency. Kljuic said that Haris Silajdzic, minister for foreign affairs of Bosnia-Hercegovina, was going to be present at the CSCE's top-level meeting on Wednesday.

Kljuic asked the Ministry for Foreign Affairs of the Republic of Croatia to suggest, through Western diplomats, that CSCE military intervention forces be activated and rapidly deployed in the Republic of Bosnia-Hercegovina. Heavy forces of the Yugoslav Army are on their way to central Bosnia, the only part of Bosnia-Hercegovina that has not been occupied yet, Kljuic says in conclusion.

Pinheiro Supports 'Dignified' Army Withdrawal

LD0205203792 Belgrade TANJUG in English 1905 GMT 2 May 92

[Text] Guimaraes, May 2 (TANJUG)—The Yugoslav Army (JNA) must withdraw from the former Yugoslav Republic of Bosnia- Hercegovina, if possible immediately, but certian rules of the game must be observed in the withdrawal, Portuguese Foreign Minister and President of the European Community (E.C.) Council of Ministers Joao de Deus Pinheiro said on Saturday. Pinheiro told a news conference after the ministerial meeting of the twelve in Guimaraes that care must be taken that the JNA leave in a dignified manner.

The Yugoslav Army has been withdrawing in a planned manner from Bosnia-Hercegovina for some time now, but is being prevented in this by blockades and attacks by Moslem-Croatian paramilitary forces, backed by the

Moslem-Croatian leadership of Bosnia-Hercegovina, from which the representatives of the Serbian people have walked out.

Moslem-Croatian paramilitary forces on Saturday attacked the JNA club and headquarters in Sarajevo. The attack is still in progress.

JNA second district commander, Lt.-Gen. Milutin Kukanjac said the Bosnia-Hercegovina leadership was behind the attack and had staged the conflict, preventing the Army from withdrawing from Sarajevo.

Pinheiro said the E.C. [words indistinct] conference on Bosnia- Hercegovina should be continued. [words indistinct] "the search for consitutional solutions for the former Yugoslav republic should resume as soon as possible, of course within its present borders and taking into account its specific ethnic features," Pinheiro said. He added that it depended on the report of U.N. envoy Marrack Goulding, who is to arrive in Lisbon on Sunday, whether it would be decided to send U.N. peacekeeping forces to Bosnia-Hercegovina.

Should Goulding's report provide the basis for that, the twelve will support the U.N. in sending the adequate peace-keeping force to Bosnia-Hercegovina, Pinheiro said. The E.C. will try to increase the contingent of its observers in Yugoslavia, especially in Bosnia-Hercegovina, as soon as possible, Pinheiro added.

EC Peace Talks Temporarily Suspended

LD0205153792 Belgrade TANJUG in English 1147 GMT 2 May 92

[Text] Lisbon, May 2 (TANJUG)—The European Community-sponsored talks on peace in Bosnia-Hercegovina have been temporarily suspended, EC negotiator Jose Cutilheiro said here on Saturday. The talks in Lisbon will resume the moment the situation in this former Yugoslav Republic is placed under control, the Portuguese diplomat added. Cutilheiro asked the national delegations of Muslims, Serbs and Croats to return to Bosnia-Hercegovina and urged them to do everything they can so that the steps agreed or taken to reach a ceasefire may be consolidated and implemented in full. The conference is expected to resume either in Lisbon or Brussels. The bilateral talks in Lisbon on the constitutional system of Bosnia-Hercegovina have got underway after the ceasefire agreement was reached and with the confidence that it would be honoured and fully implemented, Cutilheiro told newsmen.

"I have been assured by the Serbian delegation that the artillery will be withdrawn from the positions around Sarajevo, that the blockade or roads to and from the city will be lifted, and, naturally, that the bombardment of Sarajevo will cease," he said.

"President Izetbegovic has given me the guarantees that he, too, would halt the mobilization if everything I mentioned is fulfilled."

Cutilheiro added he had also been assured by the Serbian delegation that it "has issued specific instructions to stop the bombardment and unblock the roads. Unfortunately, however, European Community observers and Lord Carrington's envoy reported to me that neither a withdrawal of the artillery, nor the unblocking of roads had been observed. Under the circumstances, I consider the Serbian delegation's presence in Sarajevo essential for gaining the necessary results."

Cutilheiro hoped that the talks would continue because they had not proceeded poorly. The will for cooperation and for dealing with vital problems was noticeable with all three delegations, he pointed out. The Portuguese diplomat will today report back to the EC Council of Ministers on the Lisbon talks.

'Consultations' Underway as Forces Advance

LD0205144992 Tehran IRNA in English 1350 GMT 2 May 92

[Text] Sarajevo, May 2, IRNA—Intensive clashes are going on in Bosnia-Hercegovina capital Sarajevo, and as local radio reports army tanks are approaching the building of the Presidency of Bosnia- Hercegovina in the center of the town. Army units stationed in their club in the center are shelling everywhere around this building using all kinds of heavy and light weapons.

The Army claims that its command building and club have been blocked and attacked by B-H forces and the Army is only retaliating.

The claims of the Army have been repeatedly denied by local authorities and by neutral observers. The building of the Islamic community of Bosnia-Hercegovina was hit by an army mortar shell, according to an IRNA reporter from inside the building.

The Muslim run radio 'Hajat' reported that the Army and Serbian paramilitary forces were coming towards the center of Sarajevo from the surrounding hills. Many have been killed around the army club building and near the nearby sport center of 'Skenderija', the radio added.

Negotiations are going on between the Army Command and member of B-H Presidency, Ejup Ganic. Ganic denied in a radio broadcast that the Army command or its club are being attacked or blocked. He urged that the Army commander, General Kukanjac end the attacks by its units from inside the club. Intensive clashes are going on in the old part of Sarajevo, with shootings from all weapons being heard. Two buses were burning in front of the city council, Radio Sarajevo reported. The situation is very confused and the Army is attacking everywhere. The buildings of Presidency of B-H and Sarajevo municipality are being constantly fired at.

[Sarajevo Radio Sarajevo Network in Serbo-Croatian at 1600 GMT on 2 May reports the following:

["Grenades are still hitting Sarajevo. According to the information we have received so far, the (?worst hit) are

the central parts of the town. According to the latest information, the main post office on the embankment, the first-aid building, and the city assembly were also hit. Because of the continuous shooting and artillery fire, fire brigades have difficulties in getting out of their stations, and there is a danger of fires spreading.

["As we have been informed, intensive consultations are currently being held between the organs of authority of Bosnia-Hercegovina, the command of UNPROFOR [UN protection force], the EC observers mission, and the command of the Second Military District. These contacts are aimed at stopping the shooting and the destruction of the town as soon as possible.

["Although the initial agreement, reached through the mediation of the United Nations, was that armed activities would stop at 1430 [1230 GMT], the fighting has not stopped. The EC observers mission and Lord Carrington's envoy Doyle are expected to come up with a very specific course of action."]

EC Observer Killed; Telephone Lines Down

AU0205154292 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1530 GMT 2 May 92

[Text] We have just received a report that an EC observer was killed in Mostar—the town that experienced what Sarajevo is going through now—(?when) the Army attacked Mostar from the surrounding hills. An EC observer was killed.

All links with Mostar are down today. That Bosnia-Hercegovina has considerable problems with broken telephone and PTT [post, telephone, telegraph] lines is illustrated by the fact BH PRESS, press agency of Bosnia-Hercegovina, has not carried any messages since 1200, due to breakdown in telephone lines.

Telecommunications With Croatia Cut

LD0205143192 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 2 May 92

[Text] At 1030 [0830 GMT] today all telecommunications between Croatia and Bosnia-Hercegovina were cut off, according to the main Croatian Post and Telecommunications [PTT] center in Zagreb. The center says that links were cut off on the Bosnian side, most probably between Kozara and Sarajevo which, the center adds, is not possible to check out. The Croatian PTT center also assumes that the interuption of PTT lines is directly linked with last night's attacks on the Vlasic transmitter. Since 1100 [0900 GMT] it has not been possible to hear Sarajevo radio programs in Zagreb.

Fires Rage; JNA Tanks Enter Sarajevo

LD0205223592 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 2 May 92

[Text] Fires are still raging throughout Sarajevo. It is not quiet in any part of the city. Yugoslav Army tanks have entered the very heart of the city, opening fire in the streets. Serbian terrorists from surrounding hills have launched an artillery attack on the entire city. The Presidency and Government buildings of Bosnia-Hercegovina have been hit. Many buildings are ablaze.

Convoys Move Toward City

LD0305143192 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 3 May 92

[Excerpt] According to the latest news from Sarajevo, the city is under heavy artillery attack from Serbian terrorist positions in Ilijas. White Eagles came down from Vraca to Grbavica, where they are terrorizing civilians and carrying out forced mobilization. Powerful explosions are heard from the direction of the UNIS arms factory in Vogosca.

About 30 army trucks towing six cannons and three missile launchers were seen moving from Rogatica toward Sarajevo. A column of 15 civilian trucks is also on their way to Sarajevo. It is not known what they are carrying. [passage omitted]

City Cut Off; In 'Chaos'

LD0205142292 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 2 May 92

[Report by correspondent Vesna Karuza]

[Text] Tanks have entered Sarajevo. This is the only certain thing we can find out about this city, which is completely cut off. Sarajevo radio has reported that tanks are positioned on several places in the city and all available artillery is pounding the Sarajevo center. The Presidency building has been hit.

There is complete chaos in the city. Emergency services cannot reach the wounded and 120 children cannot be evacuated from the airport. It is known that four members of the Territorial Defense have been killed and 17 wounded.

President Izetbegovic could not land at the airport and his plane circled the city for several hours. It is not known where he is now. Lord Carrington's envoy, Colm Doyle, has appealed for an unconditional cease-fire, otherwise he will ask for an urgent European Community intervention.

Paper Claims 10 Injured in Sarajevo Explosion

LD0205084692 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 2 May 92

[Text] A bomb planted in the building at 14 Zrinjevac exploded in Zagreb last night. The building is in the vicinity of the U.S. Consulate. While we are still waiting for an official report, VJESNIK writes that at least ten people were wounded in the explosion, including a policeman who guarded the consulate.

The first floor of the building, the roof of the "Splendid" restaurant and the back wall are destroyed, and the second floor is extensively damaged. The entry door to the Veze [as heard] was blown into a park. Trees were damaged, street lights broken, and two completely destroyed cars were blown on to the trolleycar tracks.

Death Toll Rising in Wake of Air Raids

LD0405005792 Zagreb Radio Croatia Network in Serbo-Croatian 0000 GMT 3 May 92

[Text] Last night [3 May] at about 2150 [1950 GMT] an air raid alert was sounded for the sixth time yesterday in Slavonski Brod. It was still in effect at midnight. Aircraft of the Serbian army of occupation have made a number of sorties in sweeping flights over the Slavonski and Bosanki Brod area. On four occasions, they also dropped their lethal cargo on the Sava bridge between the two Brods.

Last night at 1835 [1635 GMT], a formation of five aircraft strafed, bombarded, and fired missiles at civilian facilities in the town's suburbs and the town itself as well.

According to information obtained so far from the police station of the suburban district of Jelas, a krmaca [400-pound conventional bomb] fell on a three-storey building in whose cellar there were 25 children and several women. So far the bodies of six children and three women have been found. One krmaca also fell on the town's district of Plavo Polje, while there are no reports of possible casualties. One rocket hit an ambulance, killing its driver. A stretch of railroad tracks near the railway station was also hit by rockets. By 2230 [2030 GMT] last night, Slavonski Brod's hospital had received 27 injured civilians, including 14 with serious injuries.

Federal Army Jets in Action Near Mostar

AU0305180692 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1700 GMT 3 May 92

[Omer Vatric report from Mostar]

[Excerpts] At 1330 [1130 GMT] a siren sounded the general danger signal and people again went to their shelters and cellars, embittered by the indiscriminate destruction of the town and the incredible news that the man who has been issuing orders that Mostar, Capljina, Citluk, Siroki Brijeg, Grude and other places be bombed, the man under whose orders grenades are killing innocent people in Mostar and other towns, has been given an order for special merits for preserving human lives and property by the former Yugoslav People's Army. [passage omitted]

I was informed by the Mostar Information Center and the Croatian Defense Council a few minutes ago that shortly before 1900 aircraft flew over Mostar and that they shelled the village of (?Bogodola) in the northwest part of the commune, and, as it appears, Mostar itself, where, according to the initial information, they launched rockets at Cekrk on the territory of Donja Mahala. It is claimed that one person was seriously wounded. There is no other more reliable information as yet.

MiGs Strafe Slavonski Brod, Reportedly Downed

LD0205175492 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 2 May 92

[Correspondent Vladimir Fajgl reports]

[Excerpts] At about 1800 [1600 GMT], after the sirens in Slavonski Brod sounded an air raid alert for the third time today, the aircraft of the occupying Army strafed the bridge on the Sava between Slavonski and Bosanski Brod. [passage omitted]

However, it is known for certain that the Slavonski Brod air defense was very effective: It downed a MiG-21, which fell on the Bosnian side near Poloj, and hit a MiG-29 which, according to unconfirmed reports, fell near Bosanski Samac. [passage omitted]

19 Federal Army Soldiers Surrender

AU0205174992 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1700 GMT 2 May 92

[Excerpt] We have just established contact with the Sarajevo Center of the Security Service. Senad Nesetovic is the duty officer. What is the current situation in the town?.

[Nesetovic] In addition to the news we reported a few minutes ago—that four tanks, seven personnel carriers, two guns, and seven snipers have been destroyed—the latest news is that 19 soldiers have surrendered. We have also learned that there is another group of soldiers who are dying to pull out of the army and surrender. This is the latest news. [passage omitted]

Army Denies Responsibility for Fighting

AU0205150692 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1435 GMT 2 May 92

[Text] [Announcer] While our building is shaking a bit because some grenades are falling nearby, Lieutenant Nikola Ostojic from the Command of the Second Military District is on the line.

[Ostojic] We from the Command of the Second Military District to say that what the headquarters of the Territorial Defense has been saying, and what others have been reporting about the attack and actions of the Yugoslav People's Army, is not true.

The attack has been staged. The attack started this morning when a group of the Green Berets entered the Hall of the Yugoslav People's Army. They (?provoked) the intervention by one of our units, which set off to lift the blockade around the army hall. The unit was

attacked with armor-piercing weapons. The personnel carriers were destroyed. Several soldiers and officers have been wounded.

While this was happening, an attack was carried out on the building of the Command of the Second Military District. The attack started from [words indistinct] and from the direction of the (?bridge), Skenderija, and (?Zelenija) and other bridges. I do not know all the positions from which gunfire was opened.

Two officers and two soldiers were wounded at the entrance to the command. One personnel carrier was hit. Therefore, all facts indicate that the attack on the Command of the Second Military District was staged, planned very skillfully, and that it is still being carried out. Therefore, all actions, everything that Ganic [member of the Presidency of Bosnia-Hercegovina] said he will stop; there is no sign of it. Our medical units are being prevented from approaching the bridge in Skenderija to rescue the wounded and injured people. We are prevented from moving in the town, and so forth. For this reason, the commander of the Second Military District gave the order to tanks to lift the blockade around the barracks. The lives of officers, soldiers, and civilians are in danger.

Sarajevo Radio Cited on Cease-Fire Agreement

LD0205220892 Belgrade TANJUG Domestic Service in Serbo-Croatian 2117 GMT 2 May 92

[Text] Sarajevo, 2 May (TANJUG)—Late this evening Sarajevo Radio reported that representatives of the territorial defense of Bosnia-Hercegovina loyal to the rump republican presidency, and representatives of the Yugoslav People's Army [JNA] reached an agreement on an absolute cease-fire which is being observed by both sides, according to the radio.

Cease-fire orders were issued, as the same source has reported, by commands of the territorial defense, of the Bosnia-Hercegovina Ministry of Internal Affairs, and of the JNA units. The radio said that fire is still being opened on Sarajevo by paramilitary formations who are said to be under the control of the the Serbian Democratic Party. Since phone lines with Sarajevo have been cut off, other sources have not been available. TANJUG has not received any reports from the SRNA Serbian News Agency this afternoon.

According to Sarajevo Radio, the Army demanded that the killed be removed and the injured be evacuated from the Sarajevo streets and also to enable the JNA units to withdraw from the command building in the center of the city toward the Lukavica barracks in which Alija Izetbegovic, the president of the Bosnia-Hercegovina rump Presidency, is being kept under detention.

The Bosnia-Hercegovina rump Presidency however demanded that Alija Izetbegovic and commander of the Second Military District, Colonel General Milutin Kukanjac, meet in the command of the UNPROFOR forces.

The negotiations which are being held through the mediation of Sarajevo Radio have been joined by representative of the EC monitoring mission Colm Doyle who offered his mediation provided a cease-fire is immediately established. The Army sources have not issued any official reports on negotiations being held in Sarajevo.

150 Army Troops Reported Killed in Sarajevo

LD0305170192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1642 GMT 3 May 92

[Text] Sarajevo, 3 May (TANJUG)—Colonel Stjepan Siber, member of the Bosnia-Hercegovina Territorial Defense staff, which is loyal to the rump Presidency, claimed today that in the fighting in Sarajevo yesterday and overnight the Yugoslav People's Army [JNA] lost 150 soldiers and 200 were injured.

At a press conference Siber also added that five tanks and seven armored vehicles were destroyed and a considerable amount of automatic rifles and other equipment were captured.

Siber also said that "many soldiers and JNA officers were captured." He accused the army of attacking Sarajevo.

In their reports so far, military sources speak of four killed and several wounded soldiers and officers. They stress, however, that nothing is known about the fate of soldiers and officers who were in the JNA Club building in Sarajevo at the time of the attack.

Yugoslav Army Convoy Detained

LD0305191392 Zagreb HTV Television in Serbo-Croatian 1730 GMT 3 May 92

[Recording of Sarajevo TV news broadcast; first paragraph is Zagreb TV announcer's introduction]

[Excerpts] It appears that the situation surrounding the convoy evacuating the army command in Sarajevo has started to become complicated. The two sides have different explanations. Negotiations were again conducted live on Sarajevo television: on behalf of the army, General Djurdjevac; on behalf of the [Bosnia- Hercegovina] Presidency, Stjepan Kljujic. The video is being broadcast with negligible delay.

[Sarajevo TV announcer] Good evening. Last night's drama is being repeated in Sarajevo. I refer here to the position of Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, and General Milutin Kukanjac. This afternoon Alija Izetbegovic was transferred to the Second Military District Command, and as far as we know—we were phoned a few minutes ago by General Djurdjevac to say that the Second Military District convoy had set off in the direction of Lukavica but was

stopped at Skenderija. General Djurdjevac, who I hope is still on the line, said—I have just been told that we have lost connection with General Djurdjevac. I hope that the line will be restored. What he said in brief was that if the convoy with General Kukanjac and Mr. Izetbegovic is not allowed to pass, Sarajevo will be bombarded with missiles [rakete]. This has never happened before. The threat is very serious, although General Djurdjevac, to be fair, said that this was not a threat, but I do not know how else to interpret his words. Let us see if we have succeeded in making contact with the Presidency [voice in background: We have established contact with General Djurdjevac and the Presidency] Is there anyone in the Presidency?

[Kljujic] Stjepan Kljujic, here.

[Announcer] Good evening, Mr. Kljujic, I hope that you have heard this. These are new developments. You are very near Skenderija. Can you explain to us, can you see from your window if the convoy has been stopped? It reportedly set off from the Second Military District command. Let us please have your explanation.

[Kljujic] We have been told that the president of the Presidency is returning to the Presidency, and the convoy, if the trucks are empty, will be allowed to proceed.

[Announcer] That is the latest information you have?

[Kljujic] Yes.

[Announcer] Have we got General Djurdjevac on the line. General Djurdjevac, can you hear me? [passage omitted]

[Djurdjevac] Mr. Kljujic, I only want both sides to be correct, to fulfill the three points of last night's agreement: To put an end to all armed conflicts, as I ordered, and no Yugoslav Army soldier has fired a single bullet since we reached our agreement.

[Kljujic] Neither has the Territorial Defense or the Ministry of Internal Affairs of Bosnia-Hercegovina opened fire.

[Djurdjevac] If I am not mistaken, you proclaimed that all units that used to be considered paramilitary are now under the command of the Territorial Defense. Positions of the Yugoslav People's Army have been coming under fierce attack. And now General Kukanjac is in a difficult situation at Skenderija with our convoy, which should have been escorted to the Lukavica Barracks by the UN Protection Force [UNPROFOR] team. Simply, we do not know what is happening with General Kukanjac, although we transported Mr. Izetbegovic to the Bosnia-Hercegovina Presidency in total safety. We ask you to behave toward us in the same way.

[Kljujic] General Kukanjac has the right to as many associates as was the case with our president of state and can safely go wherever he wishes. The column which, according to present laws, must be announced, must be searched so that we can see what is being transported; if it is only soldiers, its passage will be completely safe, such an order has been given to the Territorial Defense, but we were not allowed to see what the trucks are transporting.

[Djurdjevac] These trucks are only transporting the documents from the command of the district, and there are only the drivers, there are no other soldiers or officers there. But, please, all this was searched through by the UNPROFOR team, and if you believe Europe and if you believe the United Nations, then you have to believe us.

[Kljujic] We believe everybody.

[Djurdjevac] But if you wish to trick, then I have to tell you that this is a [word indistinct] trick.

[Stjepan Kljujic]: First, General, please do not speak in such terms. Please, we cannot speak about gendarmes and thieves now. Please, you reached an agreement with the president of the Presidency who was under pressure and who was your captive.

[Djurdjevac] No, no, no. He was not under pressure. He can personally say so, and I call on him to publicly state if he was under pressure.

[Kljujic] If it is so, there is no problem, but please, no weapons can be transported in the column.

[Djurdjevac] There are no weapons.

[Kljujic] There is no problem, General, we will send our men, we issued an order not to open fire, your column can...

[Djurdjevac, interrupting] We already have several soldiers there who sustained injuries.

[Kljujic] That is not true. Our men have not opened fire, I stood at the window here all the time and was in walkie-talkie contact. But at the same time I would like to tell you: We have received some reports that 12 tanks are moving toward Sarajevo from Sokolac. I ask you...

[Djurdjevac, interrupting] No, please forgive me for interrupting, it is not 12 tanks, a strong unit from Romanija is coming to help the lifting of a blockade.

Army Column Attacked in Skenderija

LD0305195392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1934 GMT 3 May 92

[Text] Sarajevo, 3 May (TANJUG)—Part of the column of army vehicles transporting officers, soldiers, and civilians from the Command of the Second Military District was stopped at Skenderija, and men of the column were maltreated and shot at, Second Military District Commander Colonel General Milutin Kukanjac stated on Sarajevo television shortly after 2000 [1800 GMT] this evening.

General Kukanjac's statement about the attack on the column was indirectly confirmed by special envoy of the UN secretary general Colm Doyle, who said the column was stopped and attacked.

No reliable information is available about the victims of this brutal attack. Previously Sarajevo television announced that the column had safely arrived in the Lukavica Barracks in the outskirts of the city. This was confirmed by an UN Protection Force representative who claimed that he had been informed about it by his officer in Lukavica.

The column was attacked after Alija Izetbegovic, president of the rump Presidency of Bosnia-Hercegovina, was handed over to the Territorial Defense, which is under the control of the Presidency.

Sarajevo television confirmed that Izetbegovic is inside the Presidency building. The Federal Secretariat for National Defense has announced that a statement will be issued this evening about events in Sarajevo.

Army Rocket Attack on Ljubuski Reported

AU0305195592 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1908 GMT 3 May 92

[Report by Fahro Konjhodzic, OSLOBODJENJE correspondent from Ljubuski—live]

[Excerpt] [Announcer] Good evening!

[Konjhodzic] Good evening! I must say that the evening in Ljubuski [Hercegovina] is not good, it seems to me. This evening, just before 1700 [changes thought] just before 1800 [1600 GMT], actually at 1730, to be precise, Ljubuski was again attacked by rockets. I do not have detailed information as to what was targeted and damaged. However, I do know that the very town center, between the old communal assembly building and the new building of the Secretariat of Internal Affairs, suffered the most. For the time being, I have reports that two persons were wounded, two children of Attorney Marko Kraljevic, and I have reports that there are plenty of seriously wounded, and that their injuries are such that some of them will probably recover. [sentence as heard]

[Announcer) Was the rocket attack carried out by aircraft or artillery?

[Konjhodzic] I must say that this is still not certain. However, according to some unofficial information that I have, it seems that this was a combination of the multiple rocket launchers and aircraft. Allegedly MiG 29's were used.

[Announcer] Now it is 2110. What is the situation like at the moment?

[Konjhodzic] The situation is peaceful at the moment. The air-raid warning is still in force. [passage omitted]

Serbian Units Blockade Municipalities

AU0305192392 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1822 GMT 3 May 92

[Miroslav Simovic report from the Bosnia-Hercegovina Territorial Defense]

[Excerpt] [Simovic] The news that I learned at the Territorial Defense is not exactly good. Like this, to start with... [changes thought] I will present a short roundup report on the situation in the republic. At the moment the situation is the most serious in Brcko and Doboj. An attack on Doboj started at 1000 this morning. Tanks entered the town and defenders withdrew to the old part of the town. An overall artillery attack started at 1400. Also, the town is under blockade by the Serbian territorials now. Their ultimatum is that the Croats and Muslims turn in their weapons.

[Announcer] As is already customary.

[Simovic] Yes, unfortunately we already know this scenario. Now, the information from Brcko: Brcko is surrounded. Brcko is calling for help. It looks as if the Serbian Democratic Party has established its war presidency and proclaimed mobilization. Headquarters of the Brcko Territorial Defense, which had contacted us, is appealing to the residents to avoid this mobilization as best they can.

Then, the Serbian territorials entered the Muslim local communities of Kolobara, Ilinci, Meraja, Bebovaca, and Dizdarevac. There are many dead, and material damage is enormous.

The latest information claims that a second column of tanks has set off from Bjeljina toward Brcko.

Now, let us see what else we have here. In Visoko there was an artillery attack at 1000. According to the latest information there were five dead and some 40 to 50 wounded. The civilian population suffered the most. At the moment there is a lull in Visoko.

[Announcer] Regarding Visoko, was it our medium-wave transmitter that was a target of the attack, or did they want to take over the land?

[Simovic] I will try to contact the Territorial Defense again. This is the information that I have, namely, that it was mostly the civilian buildings that suffered. [passage omitted]

Statement on Muslim Anti-Army Campaign

LD0205215892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1926 GMT 2 May 92

[Text] Belgrade, 2 May (TANJUG)—Extremist individuals and groups from the Party of Democratic Action (SDA), according to a well-tested scenario from Croatia, have been trying everything possible to cause destabilization in Sandzak and interethnic conflicts, a statement

issued this evening by the Information Service of the 1st Army District command says.

Some Muslim extremists, the statement says, in cooperation with members of the HOS [armed wing of the Croatian Party of Rights] have been supplying Muslim paramilitary units in the area of Sandzak with weapons and have been acting as instructors in psychological and propaganda actions. The statement adds that some individuals have been disguising themselves in Army uniforms to instill fear among the Muslim population, which is then maltreated by the same disguised individuals in order to inflame hatred toward the Army. There have also been cases of setting dilapidated buildings on fire that are then filmed in order to shift the responsibility for carrying out such activities on the Army, against which a campaign has been organized.

Despite appeals by Muslim intellectuals and their distancing from SDA extremists' actions, the number of Muslims applying for passports is constantly rising. Families have been moving out of the territory of Serbia and abroad in increasing numbers. We believe that this is also a part of extremists' plan to cause armed conflicts, the statement of the Information Service of the 1st Army District Command says in conclusion.

Capljina, Siroki Brijeg, Mostar Fighting Update

WA0105120192

[Editorial Report] The following is a compilation of recent reports on fighting in Bosnia-Hercegovina:

Zagreb Radio Croatia Network in Serbo-Croatian at 0900 GMT on 1 May, carries a report by Ivanka Djajic from Capljina: "Following a two-day lull, Capljina this morning experienced yet another pounding from heavy artillery weapons from the Yugo-army positions on the left bank of the Neretva River. The positions of our defenders along the municipality's outer lines and the town's suburbs were the main targets of an attack that began at 0515. Since shortly after 0900, civilian targets in the town have been pounded. Enemy aircraft are in evidence above the town, but so far have not engaged in any combat activity."

Zagreb Radio Croatia Network in Serbo-Croatian at 0900 GMT on 1 May also carries a report by Marinko Cavar on the situation in Siroki Brijek, which adds: "In addition to Mostar and Capljina, which overnight and throughout thismorning came under a fierce artillery attack from Serb terrorists, Siroki Brijek was shelled overnight by a Flame [Oganj] multiple rocket launcher, the most lethal of artillery weapons. At about midnight the area of Siroki Brijeg was hit by several destructive rounds fired from the Serb stronghold within the grounds of Mostar airport. There were no casualties, but damage is extensive.

"The Serb Army shelled the positions of the Siroki Brijeg and Citluk defense forces overnight and this morning. There were no casualties.

"It should be noted that on this occasion, the fiercests attacks occured after a cease-fire had been agreed upon, one which members of the Croatian Defense Council respected. UN Protection Force officers mediating the cease-fire noted the criminal intentions of the army of occupation, which in Mostar have been targeting and destroying everything that is not Serbian."

Belgrade TANJUG Domestic Service in Serbo-Croatian at 1007 GMT on 1 May updates the Mostar situation: "One person was killed and four seriously wounded during artillery clashes in Mostar last night, the town center for security services revealed.

"The Army and Serbian territorial units, as the center claims, yesterday launched artillery attacks lasting almost until this morning. Shells fell on the town center and the old town quarter. The Luka, Tekija and Donja Mahala parts of Mostar sustained extensive damage.

"The Army sources say that units of the Yugoslav People's Army [JNA] Second Operational Group for Hercegovina returned mortar, gun and small-arms fire from Croat-Muslim formations positioned in Mokunjaca, Gornja Ruzica, Seliste, Goranci, Krivodol, Balinovac and Mostar.

"The Croatian forces, as the press center of this JNA operational group stationed in Trebinje said this morning, continued with provocations from Dubrovnik by firing on army positions in Dubac and Bosanci several times during last night."

Army Reportedly Used 'Chemical Agents'

AU0405122692 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1000 GMT 4 May 92

[Milenko Karadzic report from Siroki Brijeg]

[Excerpt] After two days of unsuccessfully dialing the telephone numbers of Sarajevo Radio, we can again report with information from Siroki Brijeg and neighboring communes. Unfortunately the information is not the least bit pleasant. On the contrary, even though two days is not a long time, to describe everything that has been happening in these 48 hours would need a lot of time. Western Hercegovina was subjected all this time to a [word indistinct] and bestial attack by the artillery and air force of the aggressor so-called Yugoslav People's Army.

From its Mostar strongholds, the enemy on several occasions used multiple rocker launchers to fire Osa-type [wasp] rockets at the wider area of Siroki Brijeg, these rockets are used solely to destroy live human targets. In this action, there was no specific target, but fire was opened randomly so that these deadly projectiles and their heads showered [words indistinct] on all sides and the town and villages. The enemy was not satisfied with this, so (?the night before last) it released chemical agents on Siroki Brijeg from Zakupovo. Thanks to [words

indistinct] the consequences were slight and several people complained about difficulties in breathing.

In yesterday's attack by the air force, several areas of Siroki Brijeg were hit in Ljubuski Commune. The aim was again to destroy as many lives as possible, as well as material goods. [passage omitted].

Muslims Attack Tuzla Serb Villages

AU0405121492 Belgrade Radio Beograd Network in Serbo-Croatian 1000 GMT 4 May 92

[Text] Tuzla is virtually completely cut off. There are no telephone, television, or transport lines of communication and there is less and less food. The town is full of refugees. There are a lot of wounded from Posavina, Derventa, Zvornik, and other regions in the hospitals.

Last night, members of the Green Berets attacked the village of Dubnica near Kalesija, which is mainly inhabited by Serbs. The village was surrounded on three sides. The attack was carried out from the direction of the village of Mahmutovic and Miljanovci. The commander of Tuzla Airport is warning that if these activities do not stop, the Air Force will be used to hit targets in Kalesija, Gornji Rainci, and Tupkovici.

Croatian-Muslim formations have in the last two days been attacking army premises in Mostar and the surrounding area. They are using mortars, Howitzers, and multiple rocket launchers. Yesterday, members of the Croatian Defense Forces forcibly moved the Serbian population out of the territory of (?Maglajica) and Brankovac.

Military Hospital Surrounded; Communications Cut

LD0405074192 Belgrade TANJUG Domestic Service in Serbo-Croatian 0710 GMT 4 May 92

[Text] Sarajevo, 4 May (TANJUG)—The military hospital in Sarajevo is surrounded and all telecommunications links with it have been cut off. TANJUG has learned from military sources that 4 dead and 15 wounded soldiers were brought to the hospital last night following the attack on the convoy which was leaving the command of the second militry district for the barracks in Lukavica, near Sarajevo. Two colonels and two soldiers are among the dead.

Wounded members of the Green Berets [Muslim paramilitary forces] and the territorial defense of Bosnia-Hercegovina loyal to the rump presidency of that republic have also been brought to the hospital. Other vicitims, dead and wounded, have remained in Dobrovoljacka Street, where the military convoy was ambushed last night. The military hospital in Sarajevo was fired on by a recoilless cannon yesterday. One patient was wounded, the hospital's managemenT reports. Because of the encirclement, the hospital management has not even been receiving bread and has demanded that the blockade be lifted and that its status as a humanitarian institution be recognized as called for by international conventions.

Belgrade Radio Updates Sarajevo Situation

AU0405142792 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 4 May 92

[Risto Djogo report from Sarajevo]

[Text] The war is raging in Sarajevo. It is being conducted by paramilitary Muslim-Croatian forces against the Serbian people and the Yugoslav People's Army. Loud explosions can be heard throughout Sarajevo. The military hospital in Marin Dvor is being attacked, as well as the Marshal Tito barracks in the center of Sarajevo.

According to scarce information from the Muslim Security Services Center, Serbian Territorials are carrying out attacks on the suburbs of Butmir and Sokolovic Kolonija from Ilidza and Lukavica. As usual, the Sarajevo media is not carrying any reports on the attacks on the military hospital and the Marshal Tito barracks, nor is the Muslim Security Services Center reporting on this. Butmir Airport also has been attacked.

A statement by the Ministry of Internal Affairs of the Serbian Republic of Bosnia-Hercegovina says: There was no peace in Sarajevo last night, either. The paramilitary formations of Bosnia-Hercegovina fiercely attacked Serbian territories with all available weapons on the territory of the city of Sarajevo and premises of the Yugoslav People's Army.

Thus, at about 1230 [1030 GMT] this morning, the Serbian commune of Ilidza was attacked from the direction of Sokolovic Kolonija and Sarajevo Airport was attacked from Butmir. According to the latest reports, fierce fighting is continuing.

Fierce fighting also is going on in the Serbian commune of Vogosca. The Serbian defense forces are maintaining their positions, while the forces of the Muslim paramilitary are in a panic and are using innocent women and children as a shield on the front line.

At the same time, from the liberated parts of the territory of the Novo Sarajevo commune, captured Serbs and members of other nationalities who have been released from the terror of Muslim extremists are joining the Serbian defense forces en masse and on their own initiative. This is said in the statement by the Ministry of Internal Affairs of the Serbian Republic of Bosnia-Hercegovina.

There is also fierce fighting in Ilijas. The Serbian defense forces are defending their positions well at the moment and the Muslim extremists have suffered many dead and wounded.

According to the latest reports from the Ministry of Internal Affairs of the Serbian Republic of Bosnia-Hercegovina, fighting also is going on in Sarajevo itself in the area between Skenderija and Vrbanja. Serbian

Territorials who have taken over Vrbanja are trying to shift the front line closer to the city center.

However, last night's crime—which as the world already knows was committed by Alija Izetbegovic, Stjepan Kljuic, and Ejup Ganic, and in which the UNPROFOR forces also took part by behaving as they did—was unheard of in the world, according to General Milutin Kukanjac. Some 25 trucks holding officers, soldiers, and civilians were seized. According to the same sources, six people were killed and dozens wounded. It is true that there have been unofficial reports that the number of dead was considerably higher.

Nothing can be learned about this convoy from Muslim sources or the Sarajevo media, which seems to have forgotten about these trucks. In any case, last night's vandalism and massacre in Sarajevo were unprecedented. In a statement to Mladen Kecmanovic, journalist of the Radio of the Serbian Republic of Bosnia-Hercegovina, General Kukanjac described last night's events in the following way:

[Begin Kukanjac recording] There were very sickening scenes. We somehow set off and when we reached Vrbanja bridge, I noticed that the convoy had stopped at Skenderija. I asked General Mackenzie to stop and to return to see what was going on. Mackenzie returned and said that barricades had been set up and, since I do not know English, he gestured to me that we should go as soon as possible, but I noticed that fire had been opened on that part of the convoy and I saw smoke. I suspected that this was what it was and therefore I told General Mackenzie that we should hurry down there as soon as possible in order to be able to intervene.

When we got there, we unfortunately discovered what I had suspected. We had the first information that after Mr. Izetbegovic had turned toward the Presidency building, the convoy was split in two and attacked wildly. People were killed at two-meter range, at three meters, and in the back; there were wounded; and then general plundering started. Equipment was stolen. People were taken away. This was chaos such as had never been seen before. [end recording]

We will carry the interview with General Kukanjac in more detail in the program "Another Argument." We can say that talks between Izetbegovic and Kukanjac on the position of the Yugoslav People's Army in Bosnia-Hercegovina have not taken place. Of course, these cannot even take place while the Muslim forces are attacking Army premises in Sarajevo.

According to SRNA, Alija Izetbegovic last night sought asylum in Turkey. Of course, this information has not been confirmed, but it is indicative that until 1400, when I started sending this report, Alija Izetbegovic had not appeared in public.

Situation Update

AU0305205292 Sarajevo Radio Sarajevo Network in Serbo-Croatian 2000 GMT 3 May 92

[Text] We will now find out about the current situation in the capital city of Bosnia-Hercegovina from Mirsad Tokaca, duty officer in the Sarajevo Center of Security Service. Good evening.

[Tokaca] Good evening. We can hardly say that we are entering a quiet night. You yourself said at the beginning of the newscast that fighting is taking place in (?Hotonja). However, extremely fierce shooting from all sorts of weapons and tanks is taking place in the Svrake district in Vogosca. This settlement is completely surrounded, and the defenders are putting up a heroic resistance waiting for help.

We have already reported big movements by aggressors' units in your earlier casts. The movements have continued in the evening. We also reported on fighting in Bujakov Potok, Buca Potok, and on bombing of some parts of the town, although this is nowhere near to what happened yesterday. One could say that these were individual hits from guns and mortars on Stari Grad, Centar, and Novo Sarajevo.

There was also some fighting around the Pretis plant, between Tas and Kobilja Glava. Two personnel carriers were in action in Ozrenska Street, and as far as I know, there are three dead and two wounded civilians.

Some services in the town are completely out order, such as PTT [post, telephone, and telegraph] links, about which quite a lot has been reported, and all forms of transportation. [passage omitted]

Karadzic: Serbs Not To Give Up Territory

AU0205220392 Podgorica TVCG Television Network in Serbo-Croatian 2111 GMT 2 May 92

[Interview with Radovan Karadzic, president of the Serbian Democratic Party in Bosnia-Hercegovina, by an unidentified reporter "upon his return from Lisbon"; place and date not given—recorded]

[Text] [Karadzic] We warned the EC that the Muslim side would sabotage the conference if they received recognition before the transformation of Bosnia-Hercegovina. After that we worked quite a lot on maps. I think that we went fairly far regarding the maps, and we established that there is a considerable number of communes and a significant part of the territory that are without a doubt completely defined as Serbian, Croatia, or Muslim territory, that is, the territories of future constitutive states, unless Bosnia completely falls apart. To judge by the way things are going, it could happen that Bosnia-Hercegovina will completely [Karadzic changes thought] that it will never be set up.

We then indicated several hot spots on which the territory has not been completely defined and regarding which war is still basically being waged in Bosnia-Hercegovina.

[Reporter] Regarding Sarajevo, what did you agree on? How can maps be drawn up for Sarajevo?

[Karadzic] We have not yet drawn up maps for Sarajevo. We hoped that we would be able to maintain the truce for which there has been no particular difficulties. It was enough that each side is responsible for their part of the city, for what happens there and not to attack another part of the city.

[Reporter] You are coming from the peace conference, but there has been war in Sarajevo today. The command of the Second Military District was attacked. There is shooting and casualties.

[Karadzic] We warned the EC that if territories are not defined as soon as possible and the constitutive states are not defined, then war would flare up because the Muslims, the Muslim leadership, still hopes to preserve the whole of Bosnia-Hercegovina in which they would of course dominate. That is unfortunately wishful thinking, unfortunately for them, because as far as territories and areas in Bosnia-Hercegovina are concerned, the Serbs control virtually every inch of their territory and we control a significant part of the city of Sarajevo. We will never allow this to be someone else's state. This will always be our state.

Accuses Izetbegovic of Starting War

LD0305171292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1452 GMT 3 May 92

[Excerpts] Belgrade, 3 May (TANJUG)—Radovan Karadzic, leader of the Serbian Democratic Party [SDS], today accused the President of the rump Bosnia-Hercegovina Presidency, Alija Izetbegovic, of starting a war against Serbs in that republic, and of sabotaging the conference on Bosnia-Hercegovina.

At a press conference in Belgrade, at which Nikola Koljevic—a Serb member of the Bosnia-Hercegovina Presidency who left the Presidency—and Momcilo Krajisnik— president of the Parliament of that republic—were present, Karadzic said that Izetbegovic introduced state terror which most harms Serbs in Sarajevo and Bosnia-Hercegovina. Informing journalists about the results of the conference in Lisbon, Karadzic stressed that the Serbian side advocated the division of Bosnia-Hercegovina according to ethnic principles, which the EC representatives accepted. The SDS chairman assessed as an extremely important step the beginning of negotiations on the so-called map of the new state which would consist of three parts: Muslim, Serbian, and Croatian. Bosnia, according to Karadzic, cannot be the unified state advocated by Izetbegovic.

Blaming the Muslim side for starting a war against Bosnia- Hercegovina Serbs and the Yugoslav People's Army, Karadzic said that after Izetbegovic called for a general mobilization on 4 April, a powerful territorial defense was formed under the control of the rump presidency. [passage omitted]

Answering journalists' questions, Karadzic categorically denied claims that Serbian forces in Bosnia-Hercegovina took part in fierce clashes between members of the Yugoslav People's Army [JNA] and the territorial defense loyal to the rump presidency, which are raging in Sarajevo for the second day.

The SDS chairman said that he does not know who fired on Sarajevo, where several buildings have been hit, but that he is sure that "members of Serbian forces did not do that."

Asked to comment on Alija Izetbegovic's detention in the military base in Sarajevo, Karadzic said that this is a question of relations between the army and the president of the rump presidency.

Assessing that Muslim and Croat forces attacked JNA facilities in Sarajevo, Karadzic said that their artillery is concentrated in 11 locations in the town, while the Serbian forces have withdrawn their artillery further away from Sarajevo. Nikola Koljevic said that he personally thinks that it is good that Izetbegovic was detained; otherwise something "could have happened to him" on the way to the presidency, and that would be ascribed to the Serbs.

It was repeated at the press conference that a typical invasion of Bosnia-Hercegovina was carried out from Croatia. About 300,000 members of the regular Croatian army have been infiltrated from that republic. Asked what he thinks about the continuation of the talks in Lisbon, Karadzic said that he expects the conference to continue at the end of next week unless Izetbegovic intensifies war operations in order to postpone it again.

SAO Calls Up all Serbs Aged 18-60

LD0205151892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1214 GMT 2 May 92

[Text] Sarajevo, 2 Apr (TANJUG)—The crisis headquarters of the Serbian Autonomous Region of Romanija (SAO Romanija) today called on all Serbs aged between 18 and 60, who escaped from this area to Serbia and other parts of the country, to immediately report to their municipal crisis headquarters. The appeal refers to Serbs from Olovo, Sokoc, Han Pijesak, Rogatica, Gorazde, Visegrad, and Vogosca. The appeal states that the Romanija crisis headquarters—if the Serbs fail to respond to this call—"will see that the competent organs of the Republic of Serbia take all available measures to ensure their return."

The appeal of SAO Romanija was preceded by the appeal of the Olovo municipality to Serbs from this area who escaped to Serbia and other parts of the country.

This appeal was similar in content to the one launched by the crisis headquarters of SAO Romanija.

French-Austrian Aid Program to Bosnia Launched

LD0105190992 Belgrade TANJUG in English 1449 GMT 1 May 92

[Text] Vienna, May 1 (TANJUG)—A French 'Hercules' plane, with 25 tons of medicines and food for infants, on Friday took off from Vienna's Schwechat Airport for Sarajevo, the capital of Bosnia- Hercegovina.

This marked the beginning of a drive launched by Austria and France to send humanitarian aid to Bosnia-Hercegovina. The air-lift was to have been launched on Thursday, but was postponed for 24 hours due to illness of the pilot.

French planes with humanitarian aid will regularly fly the Vienna-Sarajevo-Belgrade-Sarajevo-Vienna route once a week.

Boats Carrying EC, UN Observers Hit

LD0205155892 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 2 May 92

[Text] The enemy Serbo-Montenegrin army today launched two attacks in the Dubrovnik area on two police speedboats carrying UN liaison officers, EC observers, and representatives of the Croatian Army. Fortunately, no one was injured in these attacks. The speedboat, carrying Mr. Leo Ingercler, the coordinator of the observer teams stationed in Dubrovnik and Herceg Novi; Thorn Petersen, the head of the team of UN liaison officers; and First Lieutenant Ivo Simunovic, the Croat Army liaison officer; was hit in the attack which came from Lozica. The speedboats were sailing under the UN and EC flags, it was reported at a news conference in the Croat Army command in Dubrovnik.

Tudjman Adapts Legal System to Peace Conditions

LD0105195292 Zagreb HTV Television in Serbo-Croatian 1730 GMT 1 May 92

[Text] At the proposal of the Croatian Government and on the basis of the constitution, Croatian President Franjo Tudjman has approved three decrees invalidating or amending some decrees which were introduced during the war: first, a decree invalidating a previous decree on the judiciary in war conditions or when there is an immediate threat to the independence and unity of the Republic of Croatia; second, a decree on amendments and addenda to the decree on the organization, work, and jurisdiction of the court authority in war conditions; third, a decree on amendments and addenda to the decree on the application of law on criminal proceedings in war conditions.

It is explained in a preamble to the president's decision that some of these decrees were passed last fall, when a violent attack against Croatia was in progress; circumstances are now very different, and consequently some of the reasons for these decrees no longer exist. With the arrival of UN forces in crisis areas—and we quote—it is necessary to convert the entire legal system to a peacetime footing. The Croatian Government therefore proposed that the president of the republic rescind some of these decrees, in other words pass new decrees which amend and revise the existing ones.

Foreign Minister Against New 'Yugoslavia'

AU0205175892 Vienna KURIER in German 1 May 92 p 5

[Interview with Croatian Foreign Minister Zvonimir Separovic by Hans Rauscher; place and date not given: "Five Questions for Professor Zvonimir Separovic, Foreign Minister of the Republic of Croatia"]

[Text] [Rauscher] The fighting in Bosnia is becoming increasingly serious. What is going to happen next?

[Separovic] There could be peace in two months—if the United Nations sends peace troops, if the United States, the EC, and Austria continue to put pressure on this artificial new "Yugoslavia" consisting of Serbia and Montenegro. This will stop Milosevic. Then there will also be hope for a new, more reasonable government in Belgrade. Not even China or Russia have supported Serbia. Milosevic is also the last communist in Europe. Where are the communists who could help him?

[Rauscher] But the United States and the EC have not taken any real action so far. Are these not illusions?

[Separovic] When Croatia was attacked we believed that the Sixth U.S. Fleet would be deployed at Dubrovnik. This was a false hope. However, now U.S. policy has made a complete aboutface. We do not expect a military intervention by the United States. There are enough economic and diplomatic sanctions.

[Rauscher] What is Croatia's attitude toward the newly founded "Federal Republic of Yugoslavia"?

[Separovic] The old Yugoslavia must not be continued. The new "Yugoslavia" must neither be internationally recognized as a legal successor nor get into the international organizations as long as it is waging war in Bosnia and Croatia. However, the new state will have to be seen in a positive light if it defines itself in the old borders of the republics of Serbia and Montenegro and does not, for example, lay claim to areas in Croatia and Bosnia where Serbs settle or to other territories.

[Rauscher] Croatia is sometimes suspected of intending to split Bosnia between itself and Serbia.

[Separovic] Allegedly, our president, Tudjman, and Milosevic met to come to an agreement on that. This is a foolish rumor. Croatia supports the integrity of Bosnia-Hercegovina. If the Serbs in Bosnia are dissatisfied, they can get far-reaching autonomy. However, it must remain a state of three population groups (Muslims, Croats, and Serbs). If, however, the Serbs tear a part out of Bosnia and incorporate it into Serbia, a new situation will arise.

[Rauscher] How are Croatia's relations with Austria supposed to develop?

[Separovic] Foreign Minister Mock has supported us right from the beginning. Apart from Genscher, he is the only one who can explain Croatia's problems to the Western Europeans and the United States. Croatia and Austria have been separated by Belgrade's propaganda since 1918. However, history does not separate us; it unites us. Croatia wants to come to central Europe, to Europe via Austria. We want to appear before the world together.

Mesic Views Situation, Prospects

AU0205171492 Budapest UJ MAGYARORSZAG in Hungarian 24 Apr 92 p 2

[Interview with former Yugoslav President Stipe Mesic, president of the Executive Committee of the currently governing Croatian Democratic Community, by Tihomir Dujmovic in Zagreb; date not given: "Stipe Mesic: The War Can Extend to the Vojvodina—Who Will Stop Serbia?"]

[Text] [Dujmovic] The arrival of the blue berets met with some approval and some disapproval in the party. What are your views on the positive and negative aspects of the arrival of U.N. forces?

[Mesic] The arrival of the blue berets will clear the whole Croatian region of the occupying Yugoslav Army and the Chetniks. This is the positive aspect and the fact that a link will be established between all those who are loyal to the Croatian Republic. However, the fact that the presence of a foreign factor on the territory of a sovereign state limits its sovereignty in a certain sense is a negative aspect. In this sense, this is a negative sign for Croatia.

[Dujmovic] There are an increasing number of fruitless articles in the press speculating whether the war could have been avoided....

[Mesic] Croatia could not have avoided the war. Serbia started it with an invented threat existing against the Serbs in Kosovo and the Vojvodina, ascribing it to a supposed policy of autonomy. It then started to delude the world about the threat against Serbs in Croatia, and the same script is used in Bosnia- Hercegovina now. Therefore, all these events were outside the control of Croatia. The tales about the threatened position of the Serbs were untrue because if anyone had advantages in the former Yugoslavia it was the Serbs. Croatia could do nothing to make the Serbs give up this plan. Serbia's plan and goal is the same as in World War I, namely to occupy and annex Bosnia-Hercegovina. However, Europe or the world could have prevented the war. America could have prevented it if it had told Serbia to expect punishment in case of aggression. However, no one said this to Serbia. There is still time to send this message to Serbia.

[Dujmovic] What data do you have on the damages caused by the war in Croatia?

[Mesic] There is vast destruction, but we do not have any specific data, especially from the occupied areas. It is enough to emphasize that more than 370 churches were destroyed. The enemy, that is Serbia, simply wanted to clear an area of the Croatian population and to eliminate the slightest sign of the Croatians here, so that tomorrow, after the occupation, it can become a terra incognita where the Serbs can settle and establish the Greater Serbia. This is the grandiose plan invented by the Serb Academy of Sciences that [Serbian President] Slobodan Milosevic wants to implement. This is why he conducts a policy based on genocide against the Hungarians and the Croatians in Vojvodina, because he wants to clear the area of them.

[Dujmovic] What are your views on the future situation in the areas of the former Yugoslavia? Do you think that the war will escalate in Bosnia-Hercegovina?

[Mesic] I think that there are two options. If the American, world and European mechanisms clearly warn Serbia that it will face sanctions if it continues the aggression then the end of the war would be in sight—on the condition that America and other countries deprive Yugoslavia of its legitimacy and remove any kind of illusion of Yugoslavia's survival from the agenda. The other option would be if Slobodan Milosevic's regime were treated differently. If he is allowed to continue the aggression, the war in Bosnia-Hercegovina will extend to the Sandzak, the part of Serbia where the Muslims live, and to Kosovo and Vojvodina. There will be a bloodbath in Serbia in which the Yugoslav Army will be lost along with Milosevic's regime, and there will be dire consequences for the world and Europe.

[Dujmovic] Therefore, you believe in the extension of the war to Serbia. Some people tend to predict that there will also be a war among the Serbs themselves. Is this possible?

[Mesic] Yes, talking about Serbia we must say that Muslims, Albanians, Hungarians, and Croatians are facing a terror to which they will have to respond. All in all, this will result in an enormous firestorm.

Foreign Policy Adviser Relieved of Post

LD0205235292 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 29 Apr 92

[Text] By decision of Croatian President Franjo Tudjman, Mario Nobilo has been relieved of his post of foreign policy adviser to the republican president as of today. Nobilo is expected to take up a new post. Professor Dr. Zeljko Matic was appointed the foreign policy adviser to the republican president. He is a professor of international law at the Zagreb law faculty.

Bomb Kills 13; Condemned by Serbian National Party

LD0205175892 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 2 May 92

[Text] In connection with last night's explosion in the building at 14 Zrinjevac in Zagreb in which 13 persons were wounded, the Serbian National Party today expressed regret and condemned such and similar destructive actions which destabilize the situation in the Republic of Croatia. The Serbian National Party, as a statement says, believes that every act of endangering people or property, especially under these difficult conditions, is shameful and dishonest and as such deserves the most vehement condemnation.

People Detained Following Zagreb Explosion

LD0305172192 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 3 May 92

[Text] It has been officially confirmed in Zagreb that following the explosion in the center of Zagreb last night, the police took 1,899 persons into custody. They were questioned and some were detained. There is every indication that the terrorist act last night is connected with the previous two—the attack on the Jewish municipality in Zagreb, followed by the attack on the museum of the Serbian Orthodox Church.

The Croatian police claims that so-called targetted terrorism [usmerjeni terorizem] is involved. State prosecutor (Vladimir) Seks said this evening that to all appearance the terrorists are trying to provoke indignation among the general world public. Most likely the bombs were planted by members of the military intelligence service, known under the name of KOS, or by supporters of the greater Serbian Chetnik forces.

Seks does not rule out the possibility that everything is an act by Croatian right-wing extremists, although the first assumption is the most probable, said the public prosecutor.

Our Zagreb reporter, Nino Kosutic, reports that the area surrounding the area where the explosion took place is still heavily guarded, and that the police found pieces of a time-bomb among the ruins, which indicates the background of this terrorist act.

Three Attacks on Osijek Reported 1 May

LD0105192592 Zagreb Radio Croatia Network in Serbo-Croatian 1900 GMT 1 May 92

[Text] At about 2050 today a third general alert sounded in Osijek as a fresh attack on the city began. The second general alert sounded at 1930 when the aggressors launched a 30-minute attack on all parts of the city from their strongholds in Bilje, north of Osijek, and Tenja to the south. For the time being we have no information about possible casualties in these two attacks, but four people were injured in the first attack, which began at about 1400 today.

1 Killed in Overnight Attack

LD0105115992 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 1 May 92

[Text] Enormous material damage was caused by an attack on Osijek and its defense lines from 2100 [1900 GMT] last night. In the same attack 15 persons were injured and one killed. This artillery attack was directed at exclusively civilian targets in the center of the town: the main market place, residential areas and suburbs. The attack came from Bilje, Darda, Tenja, Sarvas, Klis, and Antunovac. It seems that as far as the Serbo-Chetnik army is concerned, EC observers and the UN mission do not exist.

Greguric on Shifts in Croatian Government

92BA0844A Zagreb DANAS in Serbo-Croatian 21 Apr 92 pp 10-12

[Interview with Croatian Prime Minister Franjo Greguric by Jelena Lovric; date and place not given: "Reasons for Changes"—first paragraph is DANAS introduction]

[Text] I have a secret sense that is ordering me to stick it out to summer, says Prime Minister Franjo Greguric. In an exclusive interview with DANAS, he explains how and why changes were effected in his cabinet, and what the fate is of former and newly appointed members of the government.

Franjo Greguric is visibly exhausted, like after a big job. The previous evening, in a solemnly intoned atmosphere, accompanied by the national anthem and without many words, he, together with the president of the Republic, gave reasons for the changes in the government; the next day he participated in a meeting of the Supreme State Council, and after that in a meeting of the government as well, which was convened, with all departing and new ministers, by President Tudjman. But it is hard to detect satisfaction in the prime minister of the government, which has just changed nearly one-third of its composition. We begin by asking what exactly was achieved through the restructuring of his cabinet, about which the Croatian public has been placing wagers on all possible variations for more than a month now.

[Greguric] Over the past month, there have been many different schemes surrounding the government, and as time went on the speculation was increasingly all-encompassing and passionate, so that the government de facto dissolved under this pressure. This was helped along by the atmosphere created in the press and in parliament by individual leading figures through their statements concerning whether or not certain ministers were doing their job, and whether they could be doing a better job, and how. A large part of these assessment come as a sign of relaxation; people feel that life is no longer in question—although they forget that this is not true for everyone in the Republic of Croatia—and now they are demanding more than what was adequate three or five months ago when it was unclear whether we would survive. I am not dissatisfied with what we have done; I think that with international recognition the government has completed one stage of which we must be proud, something that has been acknowledged by both the Assembly and the president of the Republic. What follows now is a time of reconstruction of that which has been destroyed and of a return of refugees and exiles. For that we need other efforts, a different style of working; we need a new approach to organizing and modernizing individual cabinet departments, and we need new people. For me, this is completely natural.

[Lovric] Do you feel that you have initiated this necessary change through the latest reshuffling?

[Greguric] To a certain extent, yes, perhaps not entirely, but I would say that this is much better than expected, and it will probably be even better after the new elections, when the new government will be definitively subordinated to the goals of even faster reconstruction, including everything that will be mapped out by the current, or as I say, gear-changing phase, meaning a government that is giving it the gas while changing from first to second gear. This is a government that must pave the way for engaging second gear after the elections.

[Lovric] Is there the impression that this transitional phase of yours will be very short?

[Greguric] Personally, I would not want it to last too long, not only because I think that we would not know this or succeed, but also because the current circumstances must change as soon as possible. Here I am thinking primarily of international circumstances, or rather the fact that the war in the territory of the former Yugoslavia is still going on, that from the marginal parts of Croatia it has shifted into the majority of Bosnia-Hercegovina, that those two wars are inseparable in terms of cause, while their consequences are equally serious, if not equally devastating, and they are similar because we are now accepting a large number of Bosnia-Hercegovian refugees. Second, we cannot hold out like this for much longer, the war costs a great deal, we have been drained by the war, international aid is not arriving at the pace that we were counting on, and we are oriented towards self-help and towards our emigres, and unfortunately there is still no third option.

[Lovric] There has been a fair amount of public discussion of the aim of the ruling party to establish a one-party government. Although your government of democratic unity has been torn asunder in terms of the number of parties represented, could it be said that you are now halfway down the road to this one-party goal?

[Greguric] Such desires are based primarily on the notion that this sort of one-party construction is more necessary, as well as more attractive, now that we have achieved international recognition and a halt at least to the brutal war, which could be the preamble to peace. I think that the current consensus among the four parties in the government is not some sort of flaw; on the contrary, I contend that this is the specific quality of a gear-changing, transitional government. I do not know what kind of government there will be after the elections; as prime minister I do not want to prejudice anything, although it can be expected that the HDZ [Croatian Democratic Community] will hold a majority in that government.

[Lovric] You talk about a transitional government that would be in office until the elections. But when President Tudjman talked about the restructuring of the government, it seemed as if he believed that it would have to remain in effect even longer?

[Greguric] The president said very clearly that this would be the government until the elections and during the election campaign. It is completely logical to form a new government after the elections. But he also said something else that is very important: Some of the people in the current government, including some of those who have just arrived, and who are dealing primarily with the economy and international trade, will most likely remain in the government to be formed after the elections. And that is good. There is nowhere in the world where everything is thrown out after elections in order to make a completely new start. A certain number of ministers always pass from one government to the next for the sake of continuity.

[Lovric] You still owe the public a few answers. No one has said, least of all officially, why Minister of Police Ivan Vekic left.

[Greguric] I am proceeding from the fact that at today's meeting of the government, written thanks were handed out in the name of the president of the Republic and in my name to the ministers who have left, which in other words confirms that these people in the government made a quality contribution to their jobs. I am pleased that we have said farewell in this way, because I believe that we must raise our interpersonal communication to a higher level, that respect and a certain amount of dignity must be ensured for this difficult and responsible work and for the people who do it. The president was right to praise the government, the Assembly did the same thing, and it is hard to say that anyone has left because they antagonized someone. We are continually looking for some special reason. For me, it will be completely logical for me to leave quickly, because I believe that a step forward must be taken, that an effort must be made to get a new person. Because the period that is behind us—this year and a few days—is one entire lifetime, an eternity for the Republic, which was created under conditions such as they were. One must consider that it is completely normal for a corresponding number of people to change during that period; I think that the time ahead will be even harder, that individual changes will be even more frequent. Because commitment to this work demands of people not 10, but rather 15 or more hours a day, and there are few people who can withstand this psychologically and physically. But that is not a response to the question about Mr. Vekic. I personally think that he is a good minister, just as I feel that way about the others who have just left. The time comes when someone has to leave for another job, and the fact that this does not create any problems should not come as a surprise either. It would be different if he had been fired; that would have meant that he was not performing his duties properly, that he had to leave because of a mistake, but it is different if the decision to change ministers comes as a logical consequence of a specific policy plan, about which the president of the Republic has spoken very well and precisely. Perhaps this is much clearer when the economy is at stake than when we are talking about the police. Moreover, there was also the agreement in the ruling party to the effect that there should not be any bigger problems here.

[Lovric] Do you feel that this is an adequate explanation, even though it is known that Vekic did not agree with that type of departure?

[Greguric] I spoke very openly with Vekic. I will be honest with you: I am sorry that that change was quite needlessly announced separately, individually, at a session of the Assembly. Right now, a third of the government has been changed, all at once, as a package deal, and I think that it is completely proper that individual names not elicit too much attention in this process. Each individual departure, two days earlier or two days later, outside the package, provokes the suspicion that there is something behind all this. Especially since there has been talk about how there is a certain amount of corruption within the government, which I do not think is true. It has also been asserted that it is necessary to purge all government institutions, from the opstina to the republican level, not only because of corruption, but also because a new age is coming when it is necessary to strictly observe regulations and laws. All new ministers now have had to provide information on their assets.

[Lovric] So where is former minister Vekic going?

[Greguric] Although I know, we would rather not talk about his wishes. I would rather not, just as I would not do so concerning any of my colleagues who are departing. I must say that I offered each of them assistance if they need it to get by. They are all leaving for responsible jobs, some to where they were before, some to new jobs. But do not worry, no one will find themselves in a socially threatened situation because they have left the post of minister.

[Lovric] Why did Minister Vlatko Pavletic have to leave?

[Greguric] I feel sorry for Mr. Pavletic, who enjoys a great deal of esteem both as an academician and as a person, and who moreover had a very good team. He took criticism in the Assembly too much to heart. Assembly deputies have a right to questions and a right to answers, and I think that one should not be angry or take offense at this; it is our duty to respond to them with good arguments. The unfortunate circumstance was that at the time the minister was not present in the Assembly building in order to provide a real response to the questions raised. I personally think that this system is not good and that some people use it to show off in front of the TV cameras; I think that such matters can be resolved more painlessly through direct contact. And the fact that the minister regarded this as such serious defamation that he subsequently resigned—one must also consider that not all people have the same level of tolerance of certain things. But it is not normal for all of Pavletic's aides to subsequently link their resignations to his. But we will accept this as well.

[Lovric] Perhaps those resignations are more linked to the person who is assuming Pavletic's post? Ms. Girardi is supposed to ensure support for the HDZ in Istria—the president has spoken of more equitable regional representation—although reportedly she does not exactly enjoy the best standing there?

[Greguric] I cannot comment on Ms. Girardi's position in Istria. I can only say that Mr. Pavletic regarded her as the most suitable person to continue the work of the ministry, and I think that that is no small thing, because he is known to be an objective and realistic person, and I respect his opinion. Second, I think that one must nevertheless respect the suggestion of the work environment, because otherwise the question emerges of whether we are willing to submit to the judgment and choice of the streets.

[Lovric] One more concrete name: Mladen Vedris has joined the government, and the public is already saying through the back door, because he did not succeed in this in his first attempt. On the other hand, it is already being said that he will be your successor?

[Greguric] I am pleased that Vedris has come, and I personally favored an even higher position for him than the one that he ended up with, but he did not want that. I think that Vedris has done a lot in Zagreb during this period and that with this sort of experience he can be of great help in the work of the government. Moreover, I think that Zagreb should have its own representative in the republican government, regardless of whether he comes from the executive council or from the Assembly, because 30 percent of Croatia's economic potential is located in the capital. But time will tell who will be the prime minister when I leave. At this time, I think that such projections would be completely unfounded.

[Lovric] Perhaps conclusions about this sort of already mapped-out course are partially the result of the fact that Vedris attended a meeting of the Supreme State Council immediately after his appointment?

[Greguric] Vedris is now sitting in on the Supreme State Council according to the same logic under which he used to be invited even when he was not in the government, when the State Council was discussing something that was in his field or of interest to the city of Zagreb.

[Lovric] The party affiliations of the new members of the government were not made public?

[Greguric] As far as I know, the majority are members of the HDZ.

[Lovric] Major activities in the economic sphere lie ahead. Will there be any changes in policy on the transformation of ownership?

[Greguric] I think that the Assembly did the right thing when it formed an expert and competent commission at its last session in order to analyze existing regulations.

Nevertheless, I think that there will be certain changes. We must consider that we adopted our concept of the transformation before the war, at a time when we were not counting on the level of devastation that we have

suffered. That is why today we must undertake an accelerated transformation, and for this we will need additional efforts. I would rather not say how—for that, there are greater authorities than I.

[Lovric] Lately there has been new talk of a wage increase. Will an attempt be made to effect this by printing up money?

[Greguric] Printing up money is the simplest thing there is. But in order to do so, there must be a certain basis of goods. In principle, we are in favor of not living without the means to back this up, although under conditions of war this is difficult to realize, because war is primarily an expenditure. But not even under these circumstances can the printing of money become a general phenomenon, which is why we are striving to boost production, exports.... The prime issue of currency must primarily serve development purposes.

[Lovric] The government usually raises wages before elections. Previously this was done right before party congresses. Do you have any such plans?

[Greguric] I remember that well. We have not even considered that. They used to hand out shoes and sausages at election rallies, which might be welcomed again.

Seriously, I can only say that we have not encumbered ourselves with such electoral speculation and that such things should not be done. There is absolutely no need for it, and that is the reason for our decision not to restrict wages, but rather to regulate them through taxes.

[Lovric] The government of democratic unity has enjoyed a great deal of public support. However, the way in which this restructuring of the government was carried out and its content appear to have generated suspicion that you have arrived at a point from which the road begins to descend?

[Greguric] It is hard to be a prophet. Time will tell. I often think that there is some truth to what you say.

[Lovric] You have talked about preserving the dignity of the people who are leaving. How has your human dignity fared in all this?

[Greguric] This restructuring has taken its toll on me personally in terms of nerves and hard work, and not only because of the comings and goings. I feel as if part of an organism that lived through the war together is disengaging and leaving, and it is a known fact that wartime friendships are remembered, preserved, and tended to longest of all, they are invaluable.

I knew that changes had to take place, but in no regard was I indifferent to this; on the contrary, it was very hard for me. I strived to do this at least in a sophisticated and humane way.

Moreover, I think that because of everything that is happening around us, probably because of the war, we have become uncivil, we have forgotten that we care about one another; we are looking after crowds of people instead of individuals. But each individual has his own life. I think that I could not ever undergo another restructuring of the government on this scale.

[Lovric] You have reportedly put your resignation in an envelope?

[Greguric] I would not call it a resignation. I wrote down a brief summary of what we have done—a person must have this. I asked the president that I be allowed to no longer hold this post, but they told me that the current job must be carried through to the end, that we must make it to the elections and that how this job is completed is not a matter of no consequence if there is to be continuity. I have my own secret sense on which I rely and which is ordering me to stick it out until summer. But I am not sure that this decision cannot and will not change.

Federal

Parents Demand Return of Soldiers From Bosnia

LD0405122992 Belgrade TANJUG in English 1144 GMT 4 May 92

[Text] Belgrade, May 4 (TANJUG)—A group of around 100 people gathered outside the building of the Yugoslav Defence Ministry this morning to demand that their children, serving the military term in the volatile multinational republic of Bosnia-Hercegovina, return home. The parents hung on the building's door two posters reading "stop killing of young and innocent soldiers" and "we beg you, order our recruits immediately back."

Apparently upset, the parents declined to talk with reporters. They said they wanted Acting Defense Minister Blagoxe Axzic to come out and meet them, and refused to go inside the building. Representatives of the Serbian Interior Ministry said most of the parents came from Sremska Mitrovica, a town in Serbia's northern province of Vojvodina. They have blocked traffic in the Knez Milos Street, one of Belgrade's main streets, the ministry specified.

The protest was prompted by the attack at an Army column by Moslem-Croat extremists in central Sarajevo on Sunday. A complete information about the attack, described as "perfidous" by the Defence Ministry, has not yet been known. Representatives of the military hospital in Sarajevo said at least two soldiers and two officers were killed, and over 15 people wounded in the attack.

The Army column was moving from the Army headquarters in the center of Sarajevo towards a barrack in a suburb, as agreed with president of the Bosnia-Hercegovina rump pesidency Alija Izetbegovic.

SSNO Issues Statement on Bosnia, Izetbegovic

LD0305134992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1216 GMT 3 May 92

[Text] Belgrade, 3 May (TANJUG)—The Federal Secretariat for National Defense (SSNO) today issued a statement in conection with the latest dramatic events in Bosnia-Hercegovina. It warns of the fact that the Bosnia-Hercegovina Presidency, which has no representatives of the Serbian people, has taken a series of measures and actions which have led to the escalation of conflict in this republic.

The SSNO statement reads:

"In connection with dramatic events in Bosnia-Hercegovina, especially in Sarajevo, SSNO wishes to inform the public of the following facts:

An agreement was reached in Sarajevo on 23 April between representatives of the leading national parties in Bosnia-Hercegovina on the end of hostilities and the continuation of talks under the aegis of the United Nations, owing to the direct involvement of Joao de Pinheiro, chairman of the EC Council of Ministers, and Lord Carrington, chairman of the conference on Yugoslavia.

Contrary to the achieved agreement in Sarajevo and the stands adopted during the talks between the vice president of the SFRY Presidency, the president of the Bosnia-Hercegovina Presidency, and the acting federal secretary for national defense on 26 April of this year, the Bosnia-Hercegovina Presidency—without Serbian representatives—took a series of measures and actions which led to the escalation of conflict in this republic.

As early as 27 April the rump Bosnia-Hercegovina Presidency passed a biased decision on the withdrawal of the Yugoslav People's Army [JNA] from Bosnia-Hercegovina. At the same time Alija Izetbegovic—instead of revoking the previous decision on mobilization—called on the people to respond to the mobilization call and in this way allegedly contribute to the preservation of peace. Inventing some sort of an excuse, he also failed to leave that day for scheduled talks in Lisbon.

Because Izetbegovic was nevertheless forced to go to Lisbon under pressure from European political factions, following his instructions, the commander of the so-called republican headquarters of the territorial defense and the minister of internal affairs of Bosnia-Hercegovina [Alija Delimustafic], who control only the Muslim military and police forces, issued orders which, among other things, demanded an all-out attack on the JNA Command and units in Bosnia-Hercegovina. The attacks started immediately and were intensified after it was learned that the talks in Lisbon were developing in accordance with Alija Izetbegovic's wishes and ambitions to organize Bosnia-Hercegovina as a unified state, in whose leadership the Muslim-Croat coalition would have the decisive role.

It is known that it was the escalation of clashes, conducted all the time by Alija Izetbegovic, that caused the interruption of the talks in Lisbon, which was his basic aim.

The ordered attack on the JNA units and facilities was conducted in a coordinated way on a broad front, stressing blockades of and attacks on JNA noncombat units and facilities.

The explosives factory in Vitez and the radio-relay communication center on Mount Vlasic were attacked on 1 May.

The JNA club was attacked on 2 May, even though this establishment is exclusively in charge of cultural life. An all-out armed attack on the military hospital was also made, in which modern antitank arms with destructive power were also used. The JNA training center in the nearby village of Pazaric was also attacked, and 250 pupils and cadets from military training centers—who

have in no way been involved in the present events—were forced to shelter on the military training ground.

The main attacker's forces have been directed at the Command of the Second Military District, which is in the very center of Sarajevo. Small arms, mortars, artillery, and rocket launchers were used. It was perfectly clear that they wanted to take over the Command at any cost and thus disrupt the leadership and command system.

During these actions, smaller quartermaster, medical, and reconnaissance military units in the town and surrounding villages were also attacked.

The attackers also used chemical weapons.

A number of JNA members and citizens were killed. All appeals by the JNA command and units to cease fire and evacuate the wounded and bring out the dead proved unsuccessful. Such an inhumane attitude is the best evidence of the unscrupulousness of the attackers and their commanders.

Simultaneously with the general attack on army facilities in Sarajevo, attacks and actions in the areas of Bosanski Brod, Mostar, Derventa, Doboj, Travnik and elsewhere were intensified. Infiltrated units of the Croatian army and Croatian paramilitary formations, which had been set up in Bosnia-Hercegovina to carry out actions in cooperation with the so-called territorial defense of Bosnia-Hercegovina, were directly involved in fighting there.

With sincere regret we have to reveal the fact that a member of the EC monitoring mission was killed in the region of Mostar when a JNA helicopter came under attack.

Alija Izetbegovic, President of the Bosnia-Hercegovina Presidency, on his return trip from Lisbon to Sarajevo, was detained in the JNA barracks in Lukavica where his complete personal safety was guaranteed; it was suggested to him to order an immediate cease-fire and thus enable the safe evacuation of casualties and the planned dislocation of the command of the Second Military District. Instead of doing that, Alija Izetbegovic, in his familiar style, asked his units to check what the issue was and ascertain what they could do. Thus he again confirmed that he does not care for the cessation of hostilities or the peaceful settlement of the crisis.

The acting federal secretary for national defense and other competent SSNO officials have regularly and on several occasions informed UN, EC, and CSCE representatives and some diplomatic representatives accredited to our country about the escalation of the conflict and the objective dangers of such an unprincipled, biased, and war-mongering attitude of the rump Bosnia-Hercegovina Presidency and its President Alija Izetbegovic.

Despite the fact that we presented dozens of arguments which clearly confirmed that the army fully observed the agreements and that it was brutally attacked, the completely unfounded accusations against the JNA are continuing. The aggressive behavior of the Bosnia-Hercegovina leadership encourages this behavior and objectively leads to the exacerbation of the situation.

Through UN Protection Force and EC representatives, the JNA launched an initiative whereby talks are to be held in Sarajevo in order to reach a solution for an urgent cease-fire, the evacuation of the dead and injured, and lifting the blockade of military installations.

The SSNO once again is taking the opportunity to express its firm resolve to work toward the consistent observance of the cease-fire agreements already achieved and for the negotiated settlement of the status of JNA units on Bosnia-Hercegovina territory in keeping with the wishes of its three peoples and the internationally recognized status of this republic.

There can be no option other than a peaceful political solution to the crisis in Bosnia-Hercegovina.

Sandzak Official Denies Arming Muslims in Region

AU0405145192 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 4 May 92

[Text] Rasim Ljajic, secretary of the Party of Democratic Action for Sandzak, at a news conference today, announced that no Muslim paramilitary formations, which, according to the Federal Defense Secretariat, are allegedly being trained by the members of the Croatian Defense Forces, exist in Sandzak. This party, its secretary claims, could not arm the Muslims as it did not have the resources to do it and also because the main committee of the party believes that the solution should be sought in negotiations and not in war, the key to which is held by the Belgrade authorities.

Financial Limits With Bosnia Introduced

LD0405135992 Belgrade TANJUG in English 1257 GMT 4 May 92

[Text] Belgrade, May 4 (TANJUG)—The government of the Federal Republic of Yugoslavia (SRJ) limited financial transactions with the Republic of Bosnia-Hercegovina on Monday. The Yugoslav Republics of Serbia and Montenegro last Wednesday proclaimed the Federal Republic of Yugoslavia, as the successor of the state formed in 1918, recognized by international law.

The Yugoslav Republic of Bosnia-Hercegovina obtained international recognition on April 6. The SRJ government issued a regulation, limiting to 50,000 dinars (around 250 German marks at the official exchange rate) the amount of money which the citizens entering or leaving Bosnia-Hercegovina are allowed to have. The government said the "regulation will be in effect until the dinar is used as the legal means of payment in Bosnia-Hercegovina."

Governor of the Yugoslav National Bank (NBJ) Branko Dragas told TANJUG on Tuesday the Bosnian authorities had informed the NBJ that the republic would retain the dinar as its currency after Slovenia and Croatia left the Yugoslav monetary system last October after proclaiming independence. Consequently, the federal government prohibited financial transactions in dinars with the two former Yugoslav republics. On Monday, the SRJ government issued the same regulation relating to the Republic of Macedonia. The Macedonian government last week withdrew dinars from circulation and introduced its own currency called denar.

Dinar To Remain Currency in New FRY

AU0405130392 Belgrade BORBA in Serbo-Croatian 27 Apr 92 p 8

[Jasna Kesic report: "Old Currency in New State"]

[Text] There will be no currency changes after today's proclamation of the new constitution of the new Yugoslavia—the dinar will remain the only legal currency. Branko Dragas, vice governor of the National Bank of Yugoslavia, told BORBA:

"The central bank has no intention of changing the currency at the moment, so the Yugoslav dinar will remain the only legal currency in Serbia and Montenegro. The change of the present dinar for a new one will be done when we judge that the time is right. I do not know when that will be, but it is certain that the National Bank will be ready for the operation.

When the time is right for the change of banknotes, a new 10,000 dinar banknote, featuring Vuk Karadzic, will be put into circulation. There is no need for that now, because the monetary space is narrowing, so there are plenty of banknotes to keep the market well stocked."

The new country will not be without monetary problems, Dragas said, because many things still must be clarified. The new constitution is precise in its definition of the new state, but the possibility of other republics joining has been left open. The question is whether that refers to the former AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia] republics, or to one of the republics that will be part of Bosnia-Hercegovina, for example, the Serbian republic of Bosnia-Hercegovina. I do not know what the constitution refers to, but it is called a republic in the constitution, and I think that the lawyers should clarify that point. It is a very complicated political and legal question, because, in that case, Bosnia-Hercegovina would have three monetary systems—the Yugoslav, the Croatian, and the future Bosnian monetary system, the introduction of which has been announced for the middle of this year.

Asked about Macedonia's departure from the unitary monetary system of Yugoslavia, Dragas said: "That process has been going smoothly, without any of the unpleasant events that accompanied the departure of Slovenia and particularly Croatia from the common monetary system. Today, the exchange of Yugoslav dinars for Macedonian coupons in that republic should begin. The coupons will have the same value as the Yugoslav dinar. The system of the exchange will be one dinar for one Macedonian coupon, and it should be completed in three days. Expert teams from the National Bank will be going to Skopje, and other Macedonian cities, to cooperate with their teams on this exchange. The exchanged Yugoslav dinars will be brought back to the National Bank of Yugoslavia, where they will be disposed of.

Macedonia did surprise the National Bank of Yugoslavia in one respect, however. There have recently been reports in the Macedonian press about a prompt exchange of the currency, but their vice premier, and some other officials, have strongly denied those claims, saying they were only rumors. A telex arrived at the central bank yesterday morning, however, which informed the National Bank of Yugoslavia of Macedonia's monetary independence. That happened yesterday morning, meaning on the same day when their parliament was in session to decide on the exchange of the currency.

"They informed us that, if the parliament accepted the government's proposal, the exchange would start on Monday," Dragas said, and added that the Macedonian Government and their national bank have made a firm promise, and that is their obligation anyway, to return all 9.5 billion of dinars to the National bank of Yugoslavia after the exchange. They promised that none of that money would be released on the territory of new Yugoslavia.

New Federation's Electoral Law Detailed

LD0205081792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1504 GMT 27 Apr 92

[Text] Belgrade, 27 Apr (TANJUG)—Free, secret, and multiparty elections for deputies who will be chosen in accordance with the combined principle of absolute majority and proportional representation are the essence of the law on electing deputies to the Federal Assembly's Chamber of Citizens adopted at today's session of the SFRY Assembly's Federal Chamber.

Candidates for deputy can be nominated by political parties or groups of citizens. Each member-republic of the Federal Republic of Yugoslavia elects at least 30 deputies—one per electoral district of 65,000 voters. Half of these deputies will be elected on the basis of the majority model and the other half on the basis of proportional system.

However, it will be possible for a republic to decide the size of an electoral district, how many deputies it will elect, and how many will be elected by absolute majority and how many by the proportional system. This possibility, however, is given only to the member-republic which, because of the size of its population, cannot observe the rule of one deputy per 65,000 citizens.

The electoral law specifies that elections for deputy are called by the president of the republic. The mandate of the serving deputies ceases on the day the mandate of new deputies is confirmed.

The agencies responsible for the organization of elections are electoral commissions and voters' committees.

Both the federal and the republic electoral commission will consist of seven members: its president, secretary, and five members. The electoral commission of a district will have three members. The law envisions that the federal electoral commission also includes members of political parties which put forward candidates in more than two-thirds of the electoral districts in a republic. Electoral commissions of the republics will also include representatives of political parties which put forward candidates in over half the wards. Electoral commissions at district level will consist of representatives of (political) parties which have candidates in that district as well as in more than one-third of the districts in the republic.

Candidates for deputy can be nominated by political parties which collect the signatures of at least 100 voters in an electoral unit or by a group of at least 100 voters from a unit. To get on the list of political parties a party must have candidates in at least five electoral units.

The candidate who receives the largest number of votes in an electoral unit is elected as a deputy, while each political party will have the number of mandates proportional to the number of votes they receive.

All Yugoslav citizens of legal age have the right to elect and to be elected. This implies people who are both, that is those who are SFRY citizens and at the same time citizens of the republics that constitute the Federal Republic of Yugoslavia. This right is also given to other citizens of the SFRY who, at least six months before the electoral law comes into force, are residents on the territory of a republic which is a member of the Federal Republic of Yugoslavia.

This law comes into force one day after it is published in the "OFFICIAL GAZETTE OF THE FEDERAL REPUBLIC OF YUGOSLAVIA".

Macedonia

Gligorov Welcomes EC Statement

LD0305212792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1458 GMT 3 May 92

[Text] Skopje, 3 May (TANJUG)—In a special statement for the public, Republic of Macedonia President Kiro Gligorov has welcomed the declaration the EC Council of Ministers adopted yesterday.

In one way or another, President Gligorov says, the declaration reiterates standpoints contained Badenter's Arbitrary Commission's report, to the effect that Macedonia won its recognition and sovereignty in a peaceful and legal way. In addition, by staying out of the war, implementing democratic changes, and ensuring internal stability, the Republic of Macedonia has become one of the factors of stability in this part of the Balkans. In this way it has prevented the war from spreading further and turning into a Balkan conflict.

Accordingly, Gligorov's statement continues, the readiness of the EC to recognize Macedonia is there; it is part of its reponsibility toward itself and the principles by which it governs itself. We attribute its delay to the attempt to persuade Greece, as a member, that this recognition is necessary and that it is time for Greece to prepare for such an act. However, conditioning this recognition to a change in the name of our state that would be acceptable to all sides is, first, without precedent, and second, leads to a delay in recognition, with all the negative consequences. Such demands, the statement says, bring uncertainty to our republic and people and place us in a position which would not be accepted by any nation, as it would question its very identity and honor. Bargaining over the name of a state as a condition for its international recognition is contrary to all the standards of international law and to the practice that applies when a state's independence is recognized.

We have demonstrated maximum cooperation by amending our constitution and by demonstrating our readiness to conclude an agreement on the inviolability of the existing borders, and we have offered an agreement on comprehensive friendship and cooperation with Greece, Kiro Gligorov, president of the Republic of Macedonia, said in his statement today.

Railroad Through Bulgaria, Oil Pipeline Plans

92BA0826C Belgrade POLITIKA in Serbo-Croatian 18 Apr 92 p 10

[Article by M. Cebalovic: "Oil and Gas for Macedonia Through Bulgaria"—first paragraph is POLITIKA introduction]

[Text] Skopje thinks that its safest neighbor is Bulgaria, and so they are planning on the joint construction of a 600-km highway or an 800-km railroad in order to bypass Greece and Serbia. They want to connect to the gas pipeline near Kriva Palanka instead of near Dimitrovgrad.

Some Croatian media are writing about blockades of the Greek-Macedonian border, and Macedonia's anxieties explain the cooperation between our southern neighbor and Bulgaria. The two governments, Bulgaria's and the one in Skopje, are talking about "avoiding" Greece, and so they are also considering plans for the joint construction of a railroad from Bulgaria to Macedonia, 800 km long.

The problem, the partners think, is construction of the part through Serbia, past Nis. But since they are on the same wavelength, and thus they are allegedly threatened by danger from Serbia, they are also considering the

project of a highway between the two neighbors, 600 km long. Macedonia will soon begin the construction of a railroad between Beljakovci and Kriva Palanka, in which Bulgaria is also participating. As part of the rapprochement between the two close peoples, they are also negotiating a liberalization of local border traffic, especially at the Delchevo-Blagoevgrad and Strumica-Petric border crossings.

Recently, the Croatian newspapers explain, Bulgaria came to Macedonia's assistance with 15,000 tons of diesel fuel, since the goods had not arrived from Thessaloniki. Both transport routes would help Macedonia with supplying derivatives and delivering oil.

The GA-MA-800 project, which is backed by Makpetrol, provides for the construction of a gas pipeline system in Macedonia. It had been planned that one more connection to the gas pipeline would be built for Serbia in Bulgaria, near Dimitrovgrad, through which Russian gas would come for southern Serbia and Kosovo, and then Macedonia would also receive the necessary amounts through that branch. That access, along with Horgos, would also contribute to the security of supplies for Serbia, which for the time being has not renounced it either. Macedonia, however, does not want the gas to come from Serbia, and so the project for a connection near Kriva Palanka is ready. For this part of Yugoslavia, the branch would split off from the Bulgarian town of Stanke Dimitrov in two directions—Dimitrovgrad and Kriva Palanka.

Foreign creditors will thus conclude transactions with Makpetrol and NIS [expansion not given], and sell equipment not to one but to both partners.... The part for Macedonia alone requires at least about $60 million, and there is also a problem with how to find $200 million for the 1.3 million tons of oil that Macedonia needs for a year. Who is still thinking in an economically rational way today, however? It is important to fence off one's own area, no matter what it costs.

Serbia

Serb Radical Party Sends Letter to PRC Embassy

LD0205234592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1033 GMT 29 Apr 92

[Text] Belgrade, 29 Apr (TANJUG)—The main committee of the Serb Radical Party announced today that it had sent a letter to the Embassy of the People's Republic of China in Belgrade, in which it expressed gratitude for the support given to the Serb nation.

"In these crucial times, your support for the survival of the Serb nation and the continuity of Yugoslavia is of crucial importance in international relations," the letter states.

"The Serb people will know how to appreciate its friends in these crucial times," stresses the letter, signed by Vojislav Seselj, the party's president.

Peaceful Settlement of Bosnian Crisis Urged

LD0305153392 Belgrade TANJUG in English 1433 GMT 3 May 92

[Text] Belgrade, May 3 (TANJUG)—The foreign policy of the Serbian Government urges a peaceful and rapid settlement of the Yugoslav state crisis, based on a principle providing that in this respect, each people is entitled to freely express its democratic will, Serbia's Premier Radoman Bozovic stated. He said in an interview to TANJUG that Serbia was striving for the "ensurance of peace without force' and for 'ending all kinds of hostilities."

What should be respected in this context "is the will of both the peoples wishing to secede from Yugoslavia, and the peoples and republics which opted to remain in the common state," noted Bozovic. The European Community "has turned into an unprincipled arbiter by running a risk of awarding armed secession before a global solution of the Yugoslav state crisis," the premier said.

"The economic community has further complicated the situation by running a risk of demanding pseudo-economic measures of political pressure on Serbia," said Bozovic. That is making the EC also responsible for the unsteady peace in Croatia and Bosnia-Hercegovina, he added.

The fact that the United Nations has accepted the project of a peace operation in the Serbian Krajina as an instrument for stabilizing peace there, also confirms Serbia's stand on the question of the Serbs in this region set up on the administrative territory of Croatia, said Premier Bozovic. The principles of Serbia's policy towards Bosnia-Hercegovina, providing that the crisis in the republic can be dealt with exclusively within a conference on it and with the participation of all three constituent peoples, have also found a confirmation in the options currently prevailing in Europe, America and bodies of world organizations, recalled Bozovic. He saw the reconstruction of Yugoslavia as auguring a "definitive resolution" of the Yugoslav state crisis.

The Federal Republic of Yugoslavia (F.R.Y.), made up of the republics of Serbia and Montenegro, constitutes the international law and political continuity of Yugoslavia as a member-state of the United Nations and other international bodies, and as a signatory of all key international agreements and conventions, the Serbian premier pointed out.

He announced a programme of reforms which should extinguish at once the main focuses of inflation in Yugoslavia. The programme would be proposed by the Government of the Federal Republic of Yugoslavia. Experts were also busily working on several systemic laws in the economic sphere. The Serbian Government will shortly initiate the renewal of some economic relations, based on the GATT principles, with republics in the area of former Yugoslavia, announced Bozovic.

He described the "enormous dubious assets and deficits" left over from former Yugoslavia as the biggest problem facing the S.F.Y. In the economic sphere. Bozovic accused the previous Yugoslav Government of "melting away" the foreign currency reserves of the common state by aiding the secession of individual republics.

Sarajevo Relief Supplies Detained in Belgrade

AU0205142392 Vienna ORF Teletext in German 1318 GMT 2 May 92

[Text] A transport plane with Austrian-French relief supplies for Bosnia-Hercegovina has been detained in Belgrade since yesterday. As an ORF journalist reported in today's noon newscast, the Serbs refuse to give permission to land in Sarajevo. Austrian and French diplomats have intervened.

The plane departed yesterday from Vienna-Schwechat via Belgrade to Sarajevo within the scope of the "humanitarian airlift" organized by France and Austria. In Belgrade the refusal to permit the continuation of the flight was substantiated by a reference to the insecure situation.

Kosovo Albanians Plan To Boycott Local Election

AU0405141892 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 4 May 92

[Text] The first so-called multiparty Albanian elections in Kosovo will be held on 24 May. As Pristina SHKENDIJA reports, the decision on the elections was made by the delegates of the former Assembly of Kosovo. The report does not mention the place where the assembly meeting was held, nor any other information. This confirms that Albanians will not take part in the upcoming local elections in Serbia, but that they will hold their own elections one week before.

Speaking about the local elections in Serbia, Ibrahim Rugova, president of the Democratic Alliance of Kosovo, told journalists that Albanians will not gain anything by them. He then said that his party will try to realize the will of the people expressed in the referendum on Kosovo independence.

TANJUG Slovene Office Splits from Belgrade

AU0405095492 Belgrade BORBA in Serbo-Croatian 27 Apr 92 p 6

[S. Festic report: "Some to TANRAS, Some to TANJUG..."]

[Text] Ljubljana—The recent comments and statements by Slovene officials in the Slovene media have served to confirm that there have been conflicts between the Belgrade-based TANJUG, and the newly founded TANJUG agency TANRAS, which has been formed by former employees of the Slovene TANJUG, following their dismissal. The TANJUG agency in Belgrade has finally reacted.

Who is the Authorized Representative?

This has finally happened, says Ljubljana DELO, because the new "putschist leadership" of the Belgrade central office (as it has been dubbed by the former Slovene office) has not, up to now, considered it necessary to inform their correspondents and fellow workers in Ljubljana about anything. According to DELO, they were not informed even about the closure of their agency, and the dismissal of all the employees, who were practically thrown out into the street. Not one of them was officially informed about his dismissal, nor was there any explanation as to why it happened. Since the reporters and editors of the former TANJUG agency in the Slovenian capital disagreed with the "contents" of Belgrade measures, three days ago they announced that they would form a new agency on TANJUG's premises.

That was when Belgrade finally reacted—the Ministry of Information received a telex, which stated that TANJUG did not accept "any legal or other consequences that might result from the forming of the new agency." Minister Jelko Kacin was informed that the former members of the Slovene agency were no longer employed by TANJUG, they were criticized for poor work over recent months, and, finally, the telex stated that Belgrade hoped that "the Slovene Government would respect civilized norms, and the legal state." TANJUG appealed to the Slovene Government to protect the property of this formerly federal institution based in Belgrade.

Several days before the official decision to close the Slovene agency, Belgrade central office had invited applications from the staff for three journalist posts, and one photo reporter's. Igor Saranovic and photo reporter Plavevski, former employees at the office, applied for the posts. Igor Saranovic is now "the only authorized representative of TANJUG in Slovenia." According to DELO, Jak Koprivc, former chief editor of the Slovene agency, said that the claims that Saranovic was being prevented from doing his job were lies, and that he had free access to the premises, from which he reported to TANJUG. He also said that Belgrade central office had closed the Zagreb and Skopje offices, because they were, according to the new TANJUG editors in Belgrade, in Koprivc's words, "strangers to their own people."

Former TANJUG correspondents and the chief editor say that it was owing to the political change in Belgrade 20 days ago that certain offices have been closed. The disputes and conflicts between the Slovene agency and the central office, according to the dismissed employees, have been going on for over a year and a half, and reached their height during the June war in Slovenia.

"Putschist" Leadership

"The main accusation coming from Belgrade is that events in Slovenia have been presented in too neutral a way, that we have not been engaged enough," Jak

Koprivc says. "Before the changes in the central office, we did not have such difficulties with Belgrade," he claims.

"I maintain that we did our job objectively and professionally, but we did not agree with the demand to become propagandists of policies that were then being formed in Belgrade. We kept our professional dignity and independence. The new leadership in Belgrade did not approve of that.... The new chief editor of TANJUG claims that TANJUG is the new Yugoslavia, and that is why he is still in this position," Koprivc says.

Jelko Kacin, minister for information, states, among other things, that:

"TANJUG has so far operated as the news agency of Yugoslavia, with an office in Ljubljana. What is happening now is an attempt to divide up the property of the agency that has hitherto been the news agency of the Yugoslav federation, and therefore financed from the federal and republican budgets. We want a fair division of TANJUG's property. It is a fact that TANJUG is now too big an organization for the rump Yugoslavia to finance. That is why TANJUG is trying to solve this problem by disposing of its individual constituent offices. The Slovene office is one example of this. As far as I know, its staff has been reduced recently, and I am now informed of the formation of the new agency, TANRAS. I should stress that the Slovene information agency, STA, is already operating successfully in reporting events in Slovenia, so it is logical to expect TANJUG to associate itself with the STA to provide the service," Jeko Kacin says.

Serbian 'Isolationist' Policy Attacked

92BA0819A Podgorica POBJEDA in Serbo-Croatian 13 Apr 92 p 13

[Article by Savo Lazovic—first paragraph is POBJEDA introduction]

[Text] The Montenegrin and Serbian governments are greatly mistaken if they believe that they can bring about international recognition of their new common state with a policy of isolationism and by distancing themselves from the rest of the Serbian people.

While the United Nations peacekeeping forces are being welcomed in Slavonia, Srem, and Knin Krajina, civil war is raging in the new sovereign and internationally recognized Bosnia-Hercegovina, Slovenia is establishing its modalities of serving its German patron, in Macedonia they are hysterical over not having received recognition of their sovereignty, and Montenegro and Serbia are engaged in writing the text of a constitution and the forming of a common state. And that is good. After many a dissonant tone over their relations with Serbia, reasons not being important at this time, the government of Montenegro realized that the issues of Serbian nationality and relations with Serbia are premises that cannot be left out of political reasoning. It was not too difficult to remember that Messrs. Djuranovic, Zarkovic, and others "failed their exam in Serbian." Having called the referendum and giving citizens the opportunity to speak out on the issue of creating a common state with Serbia are points that the Socialist Democratic Party underlines as their most important political accomplishments since taking over, regardless of motives, and are what led them to this political move.

The ruling party does not miss any opportunity to openly interpret the extraordinary success of the referendum as additional affirmation of the legitimacy of its power and the trust of the people. This, of course, is an exaggeration, because one cannot neglect the fact that the creation of a mutual state with Serbia was supported by both the National and Democratic parties. However, the most important thing is that the idea of creating a common state with Serbia hit right at the heart of the people's desires and aspirations. One can, with certainty, conclude that the ruling party did not achieve additional legitimacy through the referendum, although it did gain political profit. It was the Serbian option that received support and legitimacy from the people and would have won, too, regardless of the nominating party. Results of the referendum voting, and this must be stressed, represent a unique confirmation of the 1918 decisions reached by the Podgorica assembly. Some 73 years later, an imposing majority of Montenegrins have shown their awareness of their Serbian roots, and their relentless ties with the Serbs in Serbia, and wherever else they live. The results represent a disastrous defeat for Montenegrin isolationists, Serbo-phobes, and Croato-philes that Broz, Markovic, Stedimlija, Drljevic, and their epigones left behind. Finally, the results are a testimony of their minority and irrelevance.

Political Miss

The current apocalyptical events have exceeded each other with unbelievable speed and do not leave any room for doubt that the infernal plan of the West to break up Yugoslavia is being carried out in detail, and it is becoming clear that "good favors" and phrases about democracy, peace, and understanding are nothing else but the media's cover, under which there is an iron force directed at degrading and destroying the Serbian people as a whole. Now, these facts bring into question the rationalization behind the foreign-policy moves made to date on the part of the Serbian and Montenegrin governments and show their full and horrible reality. They also show how right the Democratic and National parties were when they opposed acceptance of the Hague document and, by the same token, recognition of Broz's interrepublic borders. Had Serbia and Montenegro, at the first meeting in The Hague, taken a uniform stand regarding rejection of the document offered to them, it is certain that the European Community would have considered such orientation with more respect. This initial political separation between Serbia and Montenegro, which at the time cooled relations between the two republics, was diminished in the worst possible manner when Milosevic with his signature, first in Belgrade on

12 July and then in The Hague, accepted what was under dispute—he recognized the administrative borders of Croatia and displayed a cooperative stand regarding the demands of the EC and Mr. Tudjman to, in return, receive nothing. This political miss is now a basic postulate for the demands of all the secessionists and opponents of Serbian integration, including, as well, the creation of the common state of Serbia and Montenegro. And so now, the policies of the Socialist Party of Serbia and the Democratic Party of the socialists of Montenegro agree with the policies of the European Community, thus leaving the Serbs living outside the territory of these two republics and the JNA [Yugoslav People's Army] to themselves, the United Nations, Ustashas, Muslim fundamentalists, and to God. The perfidy and arrogance with which the West, without any resistance, achieves all the anti-Serbian goals have no limits. It has been proven that the policy of the European Community and the United States, with candy in one hand and a stick in the other, is more than effective, at least when our politicians are in question.

Looking at recent events from today's perspective, one gets the impression that this is the last moment and the last chance for the governments in Serbia and Montenegro to bring their policies into conformity with the demands of the time. The Serbian and Montenegrin governments are greatly mistaken if they believe that by practicing a policy of isolationism and by distancing themselves from the rest of the Serbian people they will bring about international recognition of the new common state and become the successors of the old Yugoslavia. No one in the West is about to give them such recognition. Now, after the explosion in Bosnia-Hercegovina, statements that Mr. Bulatovic made on 2 April in the political program "Refleksi" of TV Montenegro sound strange, to say the least. Consistent in avoiding even the slightest confrontation with the policy of the EC and the United States, looking at the outcome of the Yugoslav crisis from a global point of view, he discusses the issue of Bosnia-Hercegovina as an autonomous problem inside one Yugoslav republic. At the same time, he points out the obligation of the JNA to "systematically withdraw from those territories on which the JNA will not be the state army." At the end, Mr. Bulatovic talks in favor of reducing the pressure on the Dubrovnik theater of operations, of deblocking Dubrovnik "...in order to create conditions for solving this vital problem with Prevlaka in a peaceful way and without the burden of a war psychosis." It seems as if Mr. Bulatovic's picture does not include live people at all—Serbs who have been tortured, exiled, and killed in Croatia, and now in Bosnia-Hercegovina. Regardless of how much his policy towards Croatia is flexible and yielding with the goal of creating conditions for effective negotiations, no one has heard Mr. Tudjman saying that he is giving up his aspirations for Boka Kotorska and the Montenegrin coast to the Bojana River, nor did he withdraw his statement about historical Croatia stretching to the Drina River. And still ringing in our ears is the silence of Mr. Bulatovic at Brdo kod Kranja, and in Skopje, when Mr. Tudjman made his aspirations so clear. The governments of both Montenegro and Serbia will have to accept the fact that it is not only the survival of the Serbian people outside these two republics that is at stake here, but also the additional demands the West is imposing on Serbia and Montenegro in order for the common state to have the right of succession to Yugoslavia. And, it is realistic to expect the flaring up of new crisis points, such as Kosovo, Metohija, and Sandzak.

Isolationism—Without Support

It should be made known to the West that one Balkan nation-building of 10 million people not be ignored. One-third of these people cannot be turned into a minority exposed to the genocide of Catholic and Islamic fanatics. The additional conditions set forth by the EC and the United States in order for them to recognize Serbia and Montenegro and their succession of Yugoslavia are not any less difficult or humiliating than those imposed on Serbia in 1914. Don't Serbia and Montenegro have any conditions to impose on the West? If the governments of Serbia and Montenegro are too late in realizing that the existence of all of us is in jeopardy, we will soon find ourselves up to our ears in war, unprepared. And, this time the war will be fought on our territories. That is why the JNA has to be immediately reorganized, its cadre changed selectively to ensure against possible treason. Just as rejection of the isolationist policy regarding Serbs outside Montenegro and Serbia does not have only an ethical dimension, so the recognition of the Serbian republic of Bosnia-Hercegovina is an urgent and justifiable political move. This state has to claim an adequate portion of the military effectives of the JNA, and it has to defend its territory. It is of utmost significance that such an action be quickly realized and that, with the support of the patriotically oriented opposition parties, the common state be created. If it proves to be a solid and strong state, supported by the people, it will deserve the recognition of other countries by the force of its factual sovereignty, without having to make concessions or being humiliated.

People who during the March referendum voted for the Serbian option and the common state of Montenegro and Serbia will not support an isolationist policy. Such a question does not even have to be posed; the people have already made themselves clear. Only one unknown remains. What sort of candy did Mr. Zimmermann offer Mr. Bulatovic, and did Mr. Bulatovic see the stick in Mr. Zimmermann's other hand?

Effects of Possible Blockades Viewed

92BA0844B Belgrade POLITIKA in Serbo-Croatian 23 Apr 92 p 9

[Article by Aleksandra Mijalkovic: "What Additional Economic Blockades Against Serbia Would Mean: Brunt Borne by Citizens' Standard of Living"—first paragraph is POLITIKA introduction]

[Text] Any economic blockade would provoke citizen discontent more than it would affect the economy, believes Momir Pavlicevic, a member of the Presidency of the Economic Chamber of Serbia. Dr. Tomislav Popovic: The first step in restoring Serbia's reputation would be the formation of a government of national confidence.

A further and potentially more severe economic blockade against Serbia by the countries of the European Community, as well as the possibility of the introduction of new sanctions against our country by the United States, would have serious consequences for the Serbian economy, according to experts. Considering these consequences from various angles, they predict an even more drastic decline in exports, but also in imports, on which not only the population's standard of living, but also the continuation of industrial production depends in large measure. (We acquire the majority of our raw materials and intermediate goods from abroad, predominantly from Europe.)

Still, it is estimated that the worst thing would be a further interruption in transportation ties, as well as reactions by international financial organizations that would impede our access to the world market for capital.... In any event, it is felt that the heaviest blow would be sustained by the citizens, whose standard of living, according to Dr. Tomislav Popovic, the director of the Institute of Economic Sciences in Belgrade, can already be considered "African."

Momir Pavlicevic, a member of the Presidency of the Economic Chamber of Serbia, also feels that a future economic blockade would primarily provoke citizen discontent, more than it would affect the economy. Specifically, even the previous measures have already provided an adequate indication of how vulnerable our economy is. Let us not forget that more than half of our foreign trade is with the European Community, and that our most important partner is Germany, Pavlicevic explains.

"The true consequences of European sanctions, which have been accepted by other countries outside the EC as well, are being felt only now. During the first quarter of last year, for example, Serbia's exports were valued at $870 million, whereby exports to the EC accounted for $648 million and those to Germany accounted for $347 million. In the first quarter of 1992, our exports of $580 million were less than imports, and exports to the European Community were nearly cut in half ($393 million), while we sold goods to Germany valued at no more than $187 million.

"If this trend continues, then we can expect a further drop in exports of at least 20 percent, and as far as the EC is concerned, it will be even more catastrophic! Last year, moreover, Serbia not only increased its exports to Germany compared to 1990, but also achieved for the first time a trade surplus, because imports were (admittedly, only symbolically) less than exports ($1.09 billion compared to $1.10 billion)," Pavlicevic says.

"Any new sanctions would intensify the negative propaganda against our country, and even more foreigners would refuse to do business with Serbia, not only from the countries of the European Community and the countries close to them, but also from those who are in the U.S. sphere of influence.

"In this sense, I predict a further transportation blockade (such obstacles have already set up against us by Hungary, Austria, and Bulgaria), cancellations of purchases of our goods even in areas where they are not subject to quotas and on lists of preferentials (this is being felt in Greece, for example), we will have to pay cash for everything that we buy abroad, which will completely exhaust our foreign-exchange reserves without there being an influx of fresh money, on the one hand because of the drop in exports, and on the other hand because of the suspension of loans," says Pavlicevic. In his opinion, there will not be a total blockade, but the transportation blockade alone is harmful enough.

"We should not underestimate these measures, just as we should not underestimate the influence of the United States in the world and in the big international financial institutions (IMF), as well as the significance of the European market towards which we are oriented. We should not deceive ourselves into thinking that we will easily replace this market with some other equally lucrative one, nor would it be sensible to ignore the value of our exports to Germany. A solution must be found in the political realm, because in the economic realm we deal only with the consequences," Momir Pavlicevic emphasizes.

The announced additional economic sanctions against and possible suspension of diplomatic relations with Serbia on the part of the United States and other Western countries would be "the crowning touch in the chain of unfavorable events which, among other things, are a reflection of the effects of Serbia's defensive, erroneous, or uninventive policy with regard to the dramatic changes in Yugoslavia and Europe," says Dr. Tomislav Popovic, the director of the Institute of Economic Sciences in Belgrade. In his opinion, even if all existing sanctions are lifted, a shadow of suspicion towards our citizens, businessmen, and intellectuals would remain for a long time.

How can we reverse the unfavorable situation and restore the reputation and status that Serbia used to enjoy in the world? Popovic is convinced that the first step would be to form a government of national confidence, which would redefine the vital national interests and make sociopolitical consensus possible, under conditions of open dialogue with all actual and "phantom" adversaries of the Serbian national being. In Dr. Popovic's opinion, this would raise Serbia's international rating overnight.

"A system of government structured in this way or a government with this sort of composition would have to focus its activities primarily on energetically demilitarizing this region, on decontaminating the social fabric (I am thinking here of fighting crime and immorality), on building democratic institutions, and, of course, on implementing a stabilizing and anti-inflationary policy," Dr. Popovic concludes.